



GOVERNMENT OF INDIA
Ministry of Transport & Communications
Department of Transport

R E P O R T

OF THE

Konkan Coastal Shipping Services Committee, 1959-1960



1960

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P. S. RAU,
Chairman.

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KONKAN COASTAL SHIPPING SERVICES COMMITTEE,
DIRECTORATE GENERAL OF SHIPPING,
“COMMERCE HOUSE”,
BALLARD ESTATE, BOMBAY 1.

Dated New Delhi, the 28th October 1960.

MY DEAR NAGENDRA SINGH,

I submit herewith 25 printed copies of the Report of the Konkan Coastal Shipping Services Committee, Bombay, appointed under Ministry of Transport and Communications Notification No. 35-MS (17)57, dated the 29th June 1959.

2. The enquiry has been at once both exciting and exacting and I am glad that it has fallen to the lot of my colleagues and myself to make it.

3. With the earnest hope that the recommendations made herein will receive urgent attention and acceptance.

Yours sincerely,

(Signed) P. S. RAU.

Accompaniments : 25 Copies. संस्कृत नगरी

Dr. NAGENDRA SINGH, I.C.S.,
Joint Secretary to the Government of India,
Ministry of Transport and Communications,
Transport Wing, Department of Transport,
NEW DELHI.

TABLE OF CONTENTS

		<small>PAGE</small>
CHAPTER I	... Appointment of the Committee — Terms of Reference.	1
CHAPTER II	... Meetings of the Committee — Memorandum from the B.S.N. Co. — Issue of questionnaire — Tour of ports — Taking oral evidence.	3
CHAPTER III	... The Konkan region — General description and physical features — Rivers and Creeks — Population and towns.	6
CHAPTER IV	... Historical Survey of the Konkan Coastal Passenger Services.	12
CHAPTER V	... Previous enquiries into Konkan passenger fares.	16
CHAPTER VI	... Scindia-Bombay Steam Amalgamation Scheme — To what extent this has a bearing on the present enquiry.	22
CHAPTER VII	... Communications — Road and Railway development in Konkan.	31
CHAPTER VIII	... Steamer Services — Needs of travelling public — Frequency — Ports of call. Also future traffic trends in so far as can be foreseen at present.	35
CHAPTER IX	... Present Cost of steamer services — to what extent susceptible of reduction.	42
CHAPTER X	... Losses at present fares — how these should be met.	50
CHAPTER XI	... Long term pattern of Konkan Steamer services — type of ships to be ordered in replacement of the existing ones — additional cost of the services and how it should be met.	59
CHAPTER XII	... Harbour Services and their future regulation.	69
CHAPTER XIII	... Ports and Port facilities ...	78
CHAPTER XIV	... Miscellaneous	86
CHAPTER XV	... Summary of recommendations	94
CHAPTER XVI	... Acknowledgments and Conclusion	103

CONTENTS

	PAGE.
APPENDICES.	
APPENDIX I	... Questionnaire to the public and to the B.S.N. Co. (1953) Private Ltd. 105
APPENDIX II	... List of persons who tendered oral evidence before the Committee. 116
APPENDIX III	... List of M.L.As. of the Konkan region who attended the discussion held on 26th May 1960. 117
APPENDIX IV	... Sketch map of the Konkan region generally. 118
APPENDIX V	... Sketch map of the Konkan region showing roads. 119
APPENDIX VI	... Statement showing the schedule of steamer services as they stood from time to time since 1935-36. 120
APPENDIX VII	... The schedules of services to be run on the Dabhol, Vijaydurg and Vengurla lines, as originally contemplated. 127
APPENDIX VIII	... Statements showing— (a) (1) The details of the shore staff employed by the B.S.N. Co. at head-quarters and at out ports. 129 (2) The strength of officers and crew on each of the Company's ships. 132 (b) Comparative statements of the salary and wage rates of the staff of B.S.N. and other companies. 133
APPENDIX IX	... Statement showing the progress of passenger fares on the Konkan coast from 1939-40 onwards. 141
APPENDIX X	... Proposed schedules of increased rates of fares for the immediate future. 146
APPENDIX XI	... Proposed rules under section 6(1) (a) of the Indian Ports Act, 1908, to regulate the Harbour Services. 148
APPENDIX XII	... Statement showing the existing telegraph and trunk telephone facilities at the various Konkan ports. 150

CHAPTER I.

APPOINTMENT OF THE COMMITTEE—TERMS OF REFERENCE.

This Committee was constituted by Government of India, Ministry of Transport and Communications, Notification No. 35-MS(17)/57, dated the 29th June 1959. The circumstances leading up to the appointment of the Committee and its terms of reference have been stated therein. It is reproduced below for convenience of reference :—

“RESOLUTION.—The Bombay Steam Navigation Company, a subsidiary company of Scindias, who are operating passenger services on the West Coast from Bombay to Dabhol, Vengurla and Purnagad had represented in 1955 that they were incurring heavy losses in maintaining the services. At the same time representations were also received by Government from various passenger associations for a reduction in the existing level of fares. This matter was examined by a one-man Commission consisting of Shri N. S. Lokur, Chairman, Railway Rates Tribunal, and on its recommendations the Government of India allowed the Shipping Company to increase fares by 10 per cent. with effect from the 1st September 1956.

“2. The Bombay Steam Navigation Company have again represented to Government that the quantum of increase in the fares allowed in 1956 is not adequate to cover their losses in maintaining the service and unless fares are further increased or other substantial financial help is given to them, they would be forced to discontinue the services. Government have also received several representations from the travelling public urging a reduction in the existing fares.

“3. Having regard to the fact that a large number of industrial labour in the Konkan Coast is dependent upon the passenger services, Government consider it essential to find a solution, which will be equitable both to the Company and to the travelling public, so that the services could be maintained without any interruption. They have accordingly decided to set up an *ad hoc* Committee to go into the entire question of maintenance of steamer services on the Konkan Coast. The Committee shall consist of the following :—

1. Shri P. S. Rau, I.C.S. (Retd.), Former Chairman, Damodar Valley Corporation Chairman.
2. Shri A. Ramaswami Mudaliar, Chairman, India Steamship Co. Ltd., Calcutta ... Member.

3. Shri Asoka Mehta, M.P. ... Member.
4. Shri Babubhài M. Chinai, M.P. ... Member.
5. Shri S. G. Barve, I.C.S., Secretary to the
Government of Bombay, Public Works
Department, Bombay ... Member.
6. Shri C. P. Srivastava, I.A.S., Sr. Deputy
Director General of Shipping ... Member.
7. Shri V. P. Varde, Konkan Vikas Mandal. Member.
8. Shri Wamanrao Rane of Ratnagiri ... Member.

“4. The Committee shall examine and report on all problems both immediate and long term, connected with the continuance of the passenger services on the Konkan Coast by the Bombay Steam Navigation Company (1953) Ltd., in order to meet adequately the requirements of the travelling public at reasonable fares. The Committee may also examine if it thinks necessary the connected problems of the Bombay Harbour Service and such other matters as may be brought to its notice during the course of its enquiry, which have a bearing on the question of maintenance of the steamer service on the Konkan Coast.

“5. The Committee shall have its headquarters at Bombay and shall submit its report within six months.”

2. The original term of six months which expired at the end of January 1960, was subsequently extended first to the end of May, then to the end of August, and finally to the end of October, 1960.

CHAPTER II.

MEETINGS OF THE COMMITTEE—MEMORANDUM FROM THE BOMBAY STEAM
 NAVIGATION COMPANY—ISSUE OF QUESTIONNAIRE—TOUR OF PORTS—
 TAKING ORAL EVIDENCE.

3. The inaugural meeting of the Committee was held in Delhi on 6th August, 1959. At this meeting the Chairman, while welcoming the members, referred to the terms of reference and briefly explained the scope of the work of the Committee. Members were supplied with copies of the report of the Lokur Board which was the last Enquiry on this subject.

4. It was felt that before a *questionnaire* to the Company and another to the public were drawn up, it was desirable to obtain from the Company a complete statement of their case. A letter was accordingly issued to the Company on the 7th August, 1959, asking them to furnish a detailed memorandum stating their case. The memorandum in question was received from the Company in the last week of September, 1959. Thereupon a draft *questionnaire* for the Company and a draft *questionnaire* for the public were drawn up, considered at the second meeting of the Committee held on the 9th October 1959 and issued. Copies of the *questionnaire* will be found at Appendix I to this Report.

5. As the *questionnaire* to the Bombay Steam Navigation Company merely sought further information and clarification on points already covered in their memorandum, they were requested to submit their reply by the 23rd October, 1959. Their replies, however, came in much later and in instalments—the first instalment on the 20th November 1959 and the last on the 19th January 1960.

6. As regards the *questionnaire* to the public, copies were issued to public bodies like the Konkan Vikas Mandal, Lokamanya Seva Mandal, etc., various Passenger Associations, Chambers of Commerce and other individual members of the public who had, at the time of the Lokur Enquiry or later, shown any interest in the Konkan Services. The issue of the *questionnaire* was also notified in the English and the Marathi daily newspapers of Bombay and Konkan both in the form of a Press Note and in the form of an advertisement, inviting all those interested to apply for copies of the *questionnaire* and to reply to it. In the advertisement in the press, the public were also informed that those interested could intimate the Committee in case they wanted to tender oral evidence before the Committee. The replies to the *questionnaire* had originally been called for by the 15th November 1959 but, at the instance of some associations and individuals, this date was subsequently

extended to the 30th November 1959. The replies from the public, all told 46 in number, were received by the first week of December, 1959.

7. After the replies to the *questionnaire* received from the Company and the public had been studied, an informal meeting of the Committee was held in Bombay on the 5th January 1960. It was decided at that meeting that with the consent of the Bombay Steam Navigation Co., the services of a Cost Accounts Expert should be requisitioned immediately to examine the accounts of the Company with particular reference to certain points.

8. To familiarise ourselves with the conditions obtaining at the various ports and to ascertain public opinion in regard to the Bombay Harbour and the Konkan Coastal Services, we undertook the following tours :—

(1) To Vengurla, Ratnagiri, Rajapur and Chiplun from 26th to 28th October 1959.

(2) To Mora and Elephanta on 9th November 1959 and Rewas on 10th November 1959.

(3) To Malwan, Devgad, Vijaydurg, Rajapur, Ratnagiri, Purnagad, Ranpar, Chiplun, Govalkot, Dabhol Dapoli and Harnai from 9th to 14th December 1959.

(4) To Janjira and Shriwardhan on the 6th and 7th January 1960.

(5) To Dharamtar, Alibag and Pen on 11th March 1960.

The Committee took special care to take with them on these tours, for consultation on the spot on the technical aspects of the problems coming within the scope of their enquiry, the Nautical Adviser to the Government of India and/or the Principal Officer or Senior Nautical Surveyor of the Mercantile Marine Department, Bombay, a Port Engineering Expert from the Ministry of Transport and the Principal Port Officer or some other senior officer from the Marine Division of the Bombay Government.

All these tours were widely publicised beforehand, both in the Marathi and the English Press of Bombay and the Konkan, and those interested were invited to meet the Committee at the places visited by them. These tours enabled the Committee not only to meet local people at various places and to hear what they had to say on various matters connected with the Konkan Coastal Services but also to acquaint ourselves with the condition of the various ports and creeks, road communication, the nature of the country, and so on.

9. The third meeting of the Committee was held in Delhi on 19th April 1960 to consider what should be the pattern of the services to be run on the Konkan Coast in the immediate and the long term future and how the passenger services in the Bombay Harbour were to be regulated.

10. We examintd witnesses from the Bombay Steam Navigation Company and the Scindia Steam Navigation Company on the 10th and 11th and from the public from the 16th to the 18th May 1960.

As regards witnesses from the public the number that had originally volunteered to give oral evidence appeared to be too small. We therefore published notices in the press, both Marathi and English, on the 18th April 1960, inviting more witnesses. Copies of these notices were also circulated to all M.L.As., M.L.Cs. and M.Ps. of the Konkan Region, the Bombay Municipal Corporation and the Chairmen of the District Local Boards of Kolaba and Ratnagiri Districts. As a result, a few more came forward to give oral evidence before the Committee. A list of persons who tendered oral evidence before the Committee will be found at Appendix II.

11. We held a discussion with the M.L.As. of the Konkan Region on the 26th May 1960, to elicit their views on the various problems affecting the future of the Konkan Coastal services. A list of M.L.As. who attended this discussion will be found at Appendix III.

12. The Committee held its fourth meeting on the 8th June 1960 to consider the first draft of the Report. It held three further meetings on the 23rd July, the 1st September and the 3rd October 1960, respectively, to consider the Report. The Report was approved at the last and final meeting held on the 28th October 1960.

CHAPTER III.

THE KONKAN REGION—GENERAL DESCRIPTION AND PHYSICAL FEATURES—RIVERS AND CREEKS—POPULATION AND TOWNS.

Géneral Description and Physical Features :

13. Konkan is variously described as the strip of land between the Arabian Sea and the Sahyadri hills stretching to a distance of some 400 miles between Umbargaon to the north and Karwar to the south or as comprising the three districts of Thana, Kolaba and Ratnagiri. For purposes of this enquiry, however, the region may be taken as confined to the coastal strip to the west of the Sahyadri hills between Bombay to the north and Goa or Panjim to the south. This strip is about 200 miles in length and varies from 20 to 45 miles in width. A sketch map of the area is attached to this Report (*vide Appendix IV*). For a general description of the physical features of the Konkan tract we can do no better than quote from the Ratnagiri District Gazetteer, pages 2-3 and 5-6 :

“Though hilly and rugged as a whole, the region presents in different parts many characteristic features. Near the Sahyadri hills the valleys are more open and the hills less rugged than towards the centre of the region, which is little else than a mass of wild rugged hills. These again, towards the coast, fall into nearly level plateaus, in great part made barren by a capping of laterite rock, cleft by deep narrow steep-sided valleys and ravines, through which rivers and streams find their way from the Sahyadri hills to the sea. These rivers, tidal and navigable, have on their banks the chief ports and nearly all the fertile land. Over the rest of the country the soil is miserably poor, most of it a stiff iron clay, often mixed with gravel.

“The coast is almost uniformly rocky and dangerous. At sea, from a little distance the line of black steep cliffs seems unbroken and most uninviting. But those who in small boats or native craft creep along the coast, find, one after another, bays and caves shut in between jutting points of black rock and edged with sand of perfect whiteness. Here and there, a thin sprinkling of red earth contrasts with the black rock and though there are no trees, there is, even in the hot weather, a fair covering of green brushwood. In places, the hills draw back a little, leaving at their base a rich level of rice fields, with generally a belt of cocoanut palms between them and the beach. Almost every ten miles is a river or bay, large enough to form a safe harbour for native craft, while at least four or five are by size and position fit to be leading ports and centres of foreign trade. The promontories at the mouths of

the larger rivers are usually crowned with the ruins of old fortresses, and in one or two places, as at Suvarndurg and Malvan, rocky islands, divided from the mainland by narrow channels, still show the remains of strong Maratha fortifications. In the numerous bays and openings along the coast are extremely picturesque villages, shaded more or less densely by palm trees, the houses usually built in one or two long narrow lines, each house standing in its own little plot of cocoanut garden.

"Inland, the district is a series of raised laterite table-lands with a varying depth of soil, the rock cropping out at frequent intervals. Between the table lands are valleys, the smaller ones mere beds of mountain torrents, the larger containing strips of rich land, often fringed with betelnut groves or plaintain gardens with here and there a mango or jack tree orchard. Some of these table-lands, especially those some way inland, are fairly wooded. But near the coast they are barren plains strewn with stones with an occasional patch of soil in the crevices of the rock.

"The numerous streams and water-courses, which form the river system of the district, vary little in the character of their course. Rising either in the Sahyadri hills, or in the various spurs connected with them, they traverse the country through narrow deeply-cut ravines and deliver their tribute wave to the Indian Ocean after a short but tortuous course, seldom of more than forty miles. The general flow is from east to west, with, in some instances, a slight tendency to fall towards the south. A noticeable feature of these rivers is the suddenness of their windings. In many parts they have the appearance of land-locked lakes, until the passing of an outstanding hill shows the line of water stretching at right angles to its former channel. Though of comparatively small size and volume, and ill-suited for irrigation, the principal rivers are of great value to the district. Their deep tidal channels, navigable for several miles when supplemented by good roads between the seaboard and the Deccan, afford easy means of communication, and provide an outlet for the produce of the country; their broad estuaries offer good and safe anchorage for craft plying up and down the coast; and along their low tidal banks are found the best rice lands of the district."

14. It is pleasing to recall that this far-flung tract with its hills and dales and beautiful natural scenery, has bred a race at once intrepid, hardy, industrious and virile, who have made a significant contribution to India's national achievement. The movement against centuries-old Muslim rule commenced here and the great Shivaji, with his indomitable courage, his magnetic personality and statesman-like qualities was the spearhead of that movement. The torch left by him was taken up by the Peshwas under whose leadership with the able assistance of statesmen, soldiers and sailors like Mahadji Shinde, Kanhoji Angre and a host of others, the Maratha Nation

attained the pinnacle of its glory and all but established a country-wide empire. These hopes were dashed on the fatal field of Panipat where the flower of the nation laid down their lives and in the picturesque words of the Camp letter writer "Two pearls have been dissolved, twenty-seven gold mohurs have been lost, and of the silver and copper the total cannot be cast up."* After this glorious failure, for it can only be described as such, the spirit of Shivaji went into eclipse again for a while, only to revive towards the end of the 19th century. Konkan again produced the leaders not only in the political field but also in the realms of culture, scholarship, historical research and social reform. In the political field men like Gopal Krishna Gokhale and Bal Gangadhar Tilak strove hard to lay the foundations of a free India. As for scholarship, culture, social reform and historical research, it is only necessary to mention a few names—Ranade, Chiplunkar, Agarkar, Bhandarkar, Karve the centenarian and the veteran scholar and Indologist P. V. Kane. Konkan, however, paid heavily for its political and social prescience and went without roads, without industries and without many other amenities usually provided by Government in a politically backward country. But all this has changed since independence. We are glad to note that the Bombay (now Maharashtra) Government have taken and are taking steps to put this land-locked territory on the road map of India and a magnificent cement concrete road 22 ft. wide and 287 miles long connecting Bombay with Goa is under construction and will soon be completed. In a region where electric power was almost unknown, the Koyna Project with a very large power potential is rapidly taking shape. There are besides numerous schemes for the exploitation of the mineral resources of the region, the setting up of an aluminium factory, the desiltation of the ports, creeks and other water channels to render them navigable as before, etc. The Konkan of the future thus promises to present an altogether different picture from what it does today.

Rivers and Creeks :

15. As waterways are the life-line of Konkan, the more important rivers and creeks at the mouths or on the banks of which practically all the main ports and many of the chief towns and other centres of population are situated may be described :

(1) *Ambar River (Dharamtar Creek)*.—This river rises in the Sahyadris near the Karondha pass and after going through a winding course of about 45 miles falls into the Bombay Harbour at Karanja. It is tidal up to Nagothna, a distance of about 24 miles from the sea. It was once navigable for low draft steamers up to Dharamtar, about 9 miles across the Harbour from Bombay, but now only up to Rewas. Dharamtar is on the right bank of the creek and Rewas a little farther down on the left bank about a mile from its entrance to Bombay Harbour.

* *History of the Maratha People* by Kincaid and Parasnath, Vol. III, page 75.

(2) *Kundalika River (Revdanda Creek)*.—The port of Revdanda is situated on the right bank at the mouth of this creek. The creek was once navigable for sailing craft up to Roha, about 20 miles inland.

(3) *Mandad River (Janjira Creek)*.—This river after about 8 miles of winding course to the south falls into the Janjira Creek. Murud is situated at the mouth on the right bank of the creek. Janjira or Rajpura port where the Konkan passenger steamers call is an island separated from the town of Murud on the main land by a small creek.

(4) *Savitri River (Bankot Creek)*.—The Savitri is one of the chief rivers of the region. Rising near Mahabaleshwar, it runs due west for six miles. It then flows north-west for five miles and from about a mile below Poladpur runs north for about eight miles. It then turns sharply to the west, and, two miles further, meets the tide about two miles above the town of Mahad. From Mahad it is rocky and winding for six miles west to Dasgaon. From Dasgaon it stretches about six miles south-west and west till it reaches the border of the district, and from there dividing Janjira in the north from Ratnagiri in the south, passes about twenty miles west to the sea. The land along the banks of the Savitri is rocky and hilly as far as Poladpur. It then stretches about eight miles to Kambla and Rajvadi in a broad well tilled valley. Near Mahad there is some rich land and high tillage, but further along near Dasgaon and for about six miles below to the Janjira border, the hills come close to the river's edge. The river is navigable at high water as far as Dasgaon and even Mahad.

(5) *Vashishti River (Dabhol Creek)*.—This is the largest and most important river in the region. It rises in the Tivra pass. About fifteen miles from its source the river reaches the town of Chiplun and at this point becomes tidal. Passing the island of Govalkot it suddenly widens and after a course of 25 miles through low mud banks it reaches the sea at Anjanvel. On the north bank, a mile above Anjanvel lies the port of Dabhol. Situated on a narrow strip of low ground between the creek and a precipitous hill, its present aspect does not suggest its former greatness. When gales from the north-west make the anchorage off Anjanvel port dangerous, the numerous craft waiting to leave the river lie off the Dabhol shore where they are completely protected from the wind. The Vashishti is at any state of the tide navigable for the largest craft as far as the village of Diva, about 8 miles below Govalkot.

(6) *Shastri River (Jaigad Creek)*.—Rising in the Sahyadri hills near Prachitgad and after a total course of about 40 miles this river falls into the sea at Jaigad. The tidal wave reaches as far
(G.C.P.) L-B Vd 2013—2

as Sangameshwar. Jaigad, at the mouth of the river, is a good and safe fair weather port, with a broader estuary and a less difficult bar than the Savitri or Vashishti.

(7) *Ratnagiri River*.—This lies about 25 miles south of the Shastri river and is a comparatively unimportant creek with Ratnagiri at its mouth.

(8) *The Jaitapur Creek*.—This river rising in the Anaskura pass, and after flowing for about 25 miles as a mountain stream, reaches the ancient trading town of Rajapur. Here it meets the tidal wave and after another 15 miles reaches the sea at Yashwantgad a promontary on its north bank about 12 miles south of Purnagad.

(9) *Vijaydurg Creek (or the Vagothna River)*.—Four miles south of Yashwantgad is the mouth of the Vijaydurg creek or Vagothna river. Rising in the Kasirda pass and flowing south east for about 15 miles, this river reaches the tidal wave at Khare-Patan. After passing through Vagothna on its left bank it reaches the sea at Vijaydurg, a bold headland on the south side of the estuary, crowned by the ruins of an old fort. The mouth of the river is by the promontary of Vijaydurg completely sheltered from the south-west, and being split into several bays and backwaters, gives all the year round a splendid anchorage to craft of large size. This river has no bar. The creek is navigable for vessels drawing 7 ft. as far as the village of Vagothna and for small craft up to Khare-Patan 20 miles inland.

(10) *Devгад River*.—This river rises in the Sivgad pass and after a comparatively straight course of about 25 miles reaches the sea at the port of Devgad which forms the southern headland about 12 miles south of Vijaydurg. There are no towns of importance on its bank.

(11) *Achra River*.—The Achra, a small river taking its name from the chief town on its left bank, rises near the Phonda pass and has a south-westerly course of rather less than 30 miles to the sea. The entrance to the river is narrow and lies about 14 miles south of Devgad. Achra is four miles from the mouth.

Population—Towns :

16. The Konkan has a total area of about 7,700 square miles and a population of about 26 lakhs with a density of about 340 per square mile. The population is more or less evenly distributed throughout the whole area.

The region is largely agricultural and rural, with only two towns with a population of 50,000 or more. These are the ports of Ratnagiri and Malwan. Other towns with a population of between 20,000 and 50,000 are Panvel, Pen, Alibag, Roha, Murud, Mahad,

Chiplun and Vengurla. Of these Roha is situated at the head of the Revdanda creek, and Vengurla on the coast. The rest are on the Bombay—Goa highway.

There are few industries of any importance in the area. The population is dependant mainly on agriculture and fishing and is economically backward. The main crops are rice, pulses, oil-seeds and chillies. Next in importance come mango, cashewnut, jack fruit, cocoanut and betelnut. A sizeable proportion of the population is, however, dependant on the city of Bombay where they are employed, mostly in the various industrial establishments and some as domestic servants and the rest as clerks and in minor supervisory capacities. The average complement of labour in the textile industry in the year 1955 was about 2,10,000 of whom 95,000 were from Konkan.



CHAPTER IV.

HISTORICAL SURVEY OF THE KONKAN COASTAL PASSENGER SERVICES.*

17. A steamer service appears to have been introduced on the Konkan Coast for the first time in 1845 by a Company called the Bombay Steam Navigation Co. This Company had been floated in August 1845 with a capital of Rs 10 lakhs divided into 200 shares of Rs. 500 each. The Chairman of the Board of Directors was Mr. Gregory Grant, Collector of Land Revenue. The objects of the Company, which had its head office in 37, Medow Street, Bombay, were :—

“(1) To run from Bombay to Tankariah Bunder, Gogo, etc. to the north, two, or even three, steamers of about 200 tons of 40 to 60 H.P., 5 days in the week — during the fair season, viz., from Cocoanut Day (end of August) to 31st May.

“(2) To run one steamer of about 450 tons of 100 H. P., from Bombay to Ceylon to the south touching at Ratnagiri, Vengurla, Goa, Cannanore and Cochin. These steamers have to be despatched through P. and O. from Bombay. This steamer will carry passengers, small packages and mails from the Coast and to Ceylon, as well as from Madras and Calcutta, which will yield ample profit, and when the P. and O. Company’s line of steamers from Ceylon to China shall have commenced running, the steamer will be able to carry mails, passengers, and even opium to Ceylon, Singapore and China.

“(3) As soon as a road shall have been made by Government, in continuation of a road from Poona, to any convenient part of the Harbour, accessible at all states of the tide, one boat of 30 H. P. will be despatched to that point twice a day.”

The Company commenced its first sailing to Ceylon touching the Konkan ports of Ratnagiri and Vengurla on Thursday the 18th December 1845 with a wooden-built paddle steamer called *Victoria* of 269 tons gross and 80 H. P. The fares from Bombay to Ratnagiri were I class Rs. 40, II class Rs. 20, and III class Rs. 4 and to Vengurla I class Rs. 50, II class Rs. 25 and III class Rs. 5.

18. Adverse circumstances forced this Company to close down in 1863. The business built up by it was, however, too valuable to be lost and therefore in the same year a new Company styled the ‘Bombay Coast and River Steam Nav. Co. Ltd.’ was formed with

* Information for the period up to the floating of the B. S. N. Co. Ltd., by M/s. Killick Nixon & Co., is drawn from “The Old Country Trade of the East Indies” by W. H. Coates published in 1911.

a capital of Rs. 26 lakhs divided into 1,040 shares of Rs. 2,500 each, to take over the business of the previous Company. This Company ran steamer services regularly to Harnai, Anjanvel, Ratnagiri, Jaigad, Jylepon', Malwan, Vengurla, Goa, Karwar, Kumpta, Mangalore, Cannanore, Tellicherry, Calicut, Beypore and Cochin. It had its head office in Bazaar Gate Street in Bombay. In spite of possessing several new ships and the vigour that this Company introduced into the undertaking, it too eventually went into liquidation in November 1868.

19. On the closure of the 'Bombay Coast & River Steam Nav. Co. Ltd.' its Manager Mr. J. A. Shepherd, resumed the steam ferry service to Dharamtar, Rewas and Uran and soon afterwards Haji Hassan Joosub brother of the well-known Hajee Cassum Joosub joined him in the business. These two then founded what may be called the second 'Bombay Steam Nav. Co.' in 1869, intended especially to carry the Harbour Ferry traffic. This Company gradually extended its operations to Alibag, Revdanda, Janjira, Shriwardhan, Bankot and Dasgaon and later on up to Goa and Mangalore.

20. On his death Hajee Hassan Joosub's share devolved on his sons, Haji Ismael and Haji Ahmed who with Mr. Shepherd continued the business. About 1898 Mr. Shepherd sold his share to Haji Ismael who with his brother ran the Company. Three years later, Haji Ahmed sold his share to Haji Ismael and retired. The business, however, was by then in full swing. The greater part of the repairs to the vessels was being effected in the Company's own workshops, and they were in a position even to take up outside work. Their establishment in Frere Road resembled a beehive, with an army of workers. Their experience enabled them to evolve an excellent timetable, to which their vessels adhered with commendable punctuality. The red funnel and the white pennant with the red star became familiar objects in the Bombay Harbour.

21. Haji Ismael, desirous of giving up the management, sold the concern in 1906 to Messrs. Killick Nixon & Co. reserving a one-fourth interest in it and a seat on the Board of directors.

Messrs. Killick Nixon & Co., floated a company called the Bombay Steam Navigation Co. Ltd. with a capital of Rs. 55 lakhs to take over the fleet and other properties of the Company. This may be regarded as the starting point of the present regular steamer services on the Konkan coast. The B. S. N. Co. Ltd. under the managing agency of Messrs. Killick Nixon & Co. remained in the field up to 1939, when it came under the control of the Scindia Steam Nav. Co. Ltd.

22. In the year 1909, a few individuals from Konkan formed a new steamship Company called the Indian Co-operative Navigation and Trading Co. Ltd. (Majhi Agboat Co.) to compete with the Bombay

Steam in the Konkan Coastal Services. The competition between the two Companies had the salutary effect of better types of steamers being introduced in the services and also perhaps of the fare being kept down to reasonable levels.

23. Seth Maffatlal Gagalbhai, a Bombay industrialist, bought one of the latest types of steamers, namely the s.s. *Ratnagiri* and entered the Konkan services in 1936 under the name of "Ratnagar S. N. Co.". This led to cut-throat competition between the three Companies operating on the Konkan Coast. Consequently the Indian Co-operative found itself in financial difficulties and came under the control of the Scindia S. N. Co. in 1937. The management of the Ratnagar S. N. Co. was also taken over by Scindias in 1938. The Scindia S. N. Co. then entered into negotiations with Messrs. Killick Nixon & Co., acquired a controlling interest in the B. S. N. Co. and brought the management of that Company as well under their control in 1939. Thus, from 1939 onwards the Konkan Services came under the sole control of the Scindia Steam Navigation Co., although the three participating Companies continued to retain their separate identity.

24. After the Bombay Steam, Indian Co-operative and Ratnagar Companies came under the control of the Scindia Steam Nav. Co., difficulties arose about the sharing of the traffic in the Konkan and the Harbour Services by the three Companies. These difficulties were referred for arbitration to Sir Purushottamdas Thakurdas and Shri Ghanshyamdas Birla. They made an award in June 1940 under which, in the traffic on the Konkan Coast the quota of the Bombay Steam was to be 55 per cent., of the Indian Co-operative 27 per cent. and of the Ratnagar 18 per cent. and in the traffic in the Bombay Harbour the quota of the Bombay Steam was to be 50 per cent. and of the Indian Co-operative 50 per cent., the Ratnagar not being entitled to participation. This award was found difficult to work in practice and the problem was referred to Seth Walchand Hirachand for suggesting a way out. He laid it down that the three Companies should operate on a pool basis, each placing in the service a specified number of ships, and sharing the proceeds of the traffic in proportion to the number of ships contributed. The quotas of ships prescribed by him were four for Bombay Steam, two for Indian Co-operative and one for Ratnagar. He also anticipated that during the busy season two more ships would be required and that these should be chartered by the pool either from the Bombay Steam or the Indian Co-operative who alone had surplus ships at their disposal. The pooling arrangements were confined to the Konkan Passenger Service, although the Bombay Steam were running certain other services as well.

25. The three Companies started working on a pool basis when they resumed the steamer services after the Second World War in 1945 and continued till 1950. In July 1950, however, the Ratnagar

and the Indian Co-operative Companies were merged in the Bombay Steam Nav. Co. It is said that this measure was designed to permit of the combined resources and experience of all the three companies in the Konkan Service being put to even better use than was possible under the pooling system.

26. The merger of the Indian Co-operative and the Ratnagar in the Bombay Steam in 1950 was followed soon afterwards in 1952 by the merger of the Bombay Steam in the Scindia Steam Navigation Co. Before the merger, the Bombay Steam's activities extended to (i) the cargo-cum-passenger services on the west coast of India in the Kandla-Cochin range and between Bombay and Karachi ; (ii) the passenger services on the Konkan Coast and in the Bombay Harbour and (iii) the marine engineering and repair workshop for repairs to ships. On the merger of the Company in Scindias, the cargo-cum-passenger services in the Kandla-Cochin range and between Bombay and Karachi were assimilated as part of the activities of Scindias. As regards the Konkan Coastal Services and the ship repair workshop, two separate subsidiaries of Scindias were formed viz., the Bombay Steam Navigation (1953) Private Ltd. to look after the Konkan Services and the Scindia Workshops Private Ltd. to look after the ship repair workshop.

27. The Konkan Coastal Shipping Services are thus at present being operated solely by the Bombay Steam Navigation Company (1953) Private Ltd. which is a wholly-owned subsidiary of Scindias.

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CHAPTER V.

PREVIOUS ENQUIRIES INTO KONKAN PASSENGER FARES.

28. Up to 1939 when the three companies operating steamer services on the Konkan Coast came under the unified control of the Scindia Steam Nav. Co., the fares had been regulated by competition. There was, therefore, no occasion for any complaint by the public or any enquiry by Government in this regard.

29. When the Bombay Steam, the Indian Co-operative and the Ratnagar resumed the Konkan services in 1945 after the Second World War, they began to charge about $1\frac{1}{2}$ times the rates of fares that had prevailed at the commencement of the war. The companies again raised the fares by 50 per cent. from April 1949. This led to complaint by the travelling public.

30. *The Shah Board (1949-50).*—In July 1949, therefore, the Government of India set up, under the Control of Shipping Act, 1947, and the Rules framed thereunder, a Shipping Rates Advisory Board, consisting of Shri A. N. Shah, I.C.S., as Chairman and Shri David Erulkar and Shri P. C. Malhotra as members “to make a comprehensive enquiry into the present rates charged for the carriage of passengers in the Konkan trade consequent on the recent increases announced by the shipping companies participating in the trade and, having regard to all circumstances including the present level of costs of acquiring and operating passenger vessels, the financial position of the various companies concerned and other relevant considerations, make recommendations as to what would be reasonable and economic fares between the various ports in the trade.”

31. The Board submitted their report in March 1950. Their findings may be summarised as follows :—

(i) The financial position of the three Companies was sound

(ii) The reasonable pre-war fares should have been about 10 per cent. less than those charged by the companies in 1935-36 in anticipation of a rate war consequent on the entry of the Ratnagar Steam Navigation Co. into the Konkan Coastal Service.

(iii) An increase, not exceeding 200 per cent. over what were considered reasonable pre-war fares was quite reasonable in 1949-50 from the accounting point of view.

(iv) It was difficult in view of the absence of voyage accounts and of the complicated working of the pool system to determine what would be the reasonable or economic rates to be charged in

1949-50, but that on the whole there appeared to be a case for a reduction in the rates ruling on that date by 16½ per cent., in the first instance.

Incidentally the Board also observed that :—

(a) that expenditure of the three companies under the heads 'Salaries and Wages' and 'Administrative Expenses' appeared *prima facie* to be disproportionately high.

(b) while for the maintenance of the Konkan Shipping Services a fleet of 7 vessels with a passenger capacity of 7,107 was all that was necessary, the companies were actually operating 10 to 11 vessels with a total passenger capacity of between 8,462 and 9,148. The tonnage berthed by the three companies was thus much in excess of traffic requirements.

32. Government decided not to take any action on the Board's recommendations. They issued an unofficial press note, setting out the reasons for their decision, in the following terms : "The Shipping Rates Advisory Board set up by Government to advise on what should be the reasonable deck passenger fares in the Konkan trades have informed Government that they were to some extent handicapped in the enquiry by the complicated working of the pool system and the absence of individual voyage accounts compiled in the manner desired by them. Government consider that in the circumstances it would be better to have the enquiry proceeded with further after fuller information is made available to the Board, and in the manner required by them, by the Steam-Ship Companies, as otherwise any finding that the Board reach on the data now available to them may be assailed as based on inadequate material and not entirely equitable. The Shipping Companies realise the importance of securing a thorough enquiry. At the same time they also realise that they should not give the public cause to feel that they are heedless of their responsibilities to the public. They have intimated to Government that while they are as keenly desirous as the Government to keep the Konkan fares down to the lowest level consistent with the cost of operation, they are anxious that there should be no undue haste to reduce fares to what might turn out to be an uneconomic level. They have informed Government that under these circumstances, though they are not satisfied that the present rates are excessive, they would immediately and voluntarily effect a reduction of 1/12th in the prevailing fares. This reduction which has already been effected is, however, without prejudice to any increase later on, if after full enquiry they can satisfy Government that such increase is fair and equitable. Government hope that before the next passenger season starts, it would be possible to fix equitable rates".

33. As indicated in the above press note, the Board was requested in July 1950 to carry their inquiries further. The Board submitted a second report in June 1951. In this report they again emphasised that the companies were employing more steamers than the traffic warranted. In this connection the following extract from their report is relevant :—

"The companies are carrying on at present with 8 steamers on their Konkan Line without any adverse effect on their passenger traffic. It means that the Companies were previously trying to maintain an unhelpful attitude. In fact, as pointed out earlier, it is our considered opinion that 7 steamers should be sufficient. It has been noticed that on the Vijaydurg service the steamers very frequently ran two-thirds empty. Instead of daily service to Vijaydurg or Vengurla, the Companies might as well arrange to have, say, 4 or 5 services a week. There is no doubt in our mind that there is wastage on account of the surplus accommodation berthed by the Companies. It was represented to us that a reduction in the frequencies of the service might affect the passenger traffic. We are unable to accept this proposition. There is no other suitable transport service catering for the needs of the population living on the Konkan Coast. The class of people who travel are not pressed for time."

34. In their second report the Board recommended a reduction of 12½ per cent. in the fares on the Konkan Coast and 8½ per cent. in the fares in the harbour services. In the meantime, the Deck Passenger Committee, which had been appointed by Government to go into the question of increased space allowance and other amenities for deck passengers, had recommended certain enhanced scales of space allowance, airing space, wash places, latrines, etc. for deck passengers. The implementation of these recommendations was expected to result in an appreciable reduction in the passenger capacity (and consequently the earning capacity) of the Konkan Coastal steamers. In view of this and also of the fact that the Company had already voluntarily effected a reduction in the fares by 8½ per cent. both on the Konkan Coast and in the harbour services, Government considered that any further reduction in the Konkan Services as recommended by the Board would not be justified.

35. *Lokur Board (1956).*—In August 1955 the B. S. N. Co. submitted a representation to Government asking for a 33½ per cent. increase in the Konkan fares on the following grounds :—

- (i) Their earnings had been going down on account of a general decrease in passenger traffic.
- (ii) The suspension of the Panjim services had also resulted in a heavy drop in their earnings.

(iii) Expenditure under the heads "Fuel", "Repairs" and "Salaries and Wages" had gone up considerably.

(iv) The replacement of their overage ships would involve very heavy capital expenditure and would be impossible unless their financial resources were strengthened.

36. The Government of India appointed in January 1956 a one-man Board under the Control of Shipping (Rates) Rules, 1949, consisting of Shri N. S. Lokur, Chairman, Railway Rates Tribunal, to examine and report on the Bombay Steam Co.'s demands taking into account the various considerations relating to their increased operational costs, the need to build up reserves or additional depreciation, cost of replacement of their overage vessels, loss of revenue on account of suspension of the Panjim service, etc. and also the request of the various passenger associations for a reduction in the existing levels of fares.

37. The Board submitted its report in May 1956.

As regards the demand of the travelling public for a decrease in fares, it dismissed it on the ground that the previous Board under Mr. Shah had, after a comprehensive enquiry, recommended a certain reduction in fares which was accepted by the Government and subsequently the expenses of the company had increased.

38. With regard to the Company's demand for an increase in fares, the Board proceeded on the footing that the rates of fares as fixed by Government in 1951-52 on the basis of the Shah Board's recommendations were to be deemed to be reasonable rates on that date. Since then the changes that had occurred calling for a reconsideration of these rates were the following :—

- (1) The Scindia-Bombay-Steam Amalgamation Scheme in 1953-54.
- (2) The suspension of Panjim traffic in 1956.
- (3) Increase in operational costs under the heads "Fuel" and "Repair charges".

The Board observed that the merger was for "more economical and efficient working of the B. S. N. Co. and the Scindia Steam Navigation Co." and after reviewing the arguments regarding the reconstitution held the opinion that "the financial arrangements of the different units after the merger and the utilisation of the different resources of the merging units being for the purpose of introducing greater economic stability into the merged units are to be treated as being purely an internal financial arrangement of the management of Scindias; but cast also the reciprocal obligation that any new liabilities imposed thereby on the working of any

one of the merged units cannot be taken in isolation as the exclusive concern of the subsidiary unit, when it raises the issue of the public being called upon to bear the consequences by way of enhanced fares, but in the broader perspective that the underlying idea of the merger has been for the greater economic stability of the merged units”*. The Board therefore took the view that so far as the Company’s demands for special depreciation allowance based on the replacement costs of ships and for a reasonable return on the capital employed in the Konkan Services were concerned, these must be regarded as having arisen as a result of the Scindia-Bombay Steam Amalgamation Scheme and the consequent separation of the Konkan services from the remaining activities of the old B. S. N. Co.

39. Dealing with the provision of special depreciation for replacement of vessels and interest charges the Board stated : “To accept the stand of the representatives of the Company would indeed amount to the setting up of an inequitable precedent, for this is what part of the present representation amounts to, that the trade should be called upon to pay by way of enhanced fares, to meet such additional operating costs as are incidental to an internal rearrangement of the finances by the management carried out for the express purpose of the financial stability of all the merged units taken together and not merely when the increases are due to any adverse operating factors subsequently experienced and over which the Company can be expected to have little, if any, control.”*

40. Turning to the question of reserves of the old B. S. N. Co the Board commented :

“It would seem that the capitalisation of profits to the extent of Rs. 137 lakhs and the addition of the Rs. 2 crore debenture loan as redeemed from the liquid assets of the Bombay Steam Navigation Co. Ltd., have resulted in the financial set up of the Bombay Steam Navigation Co. (1953) Ltd., as it is. It has also been stated that whatever reserves there were in the Bombay Steam Navigation Co. Ltd., have been passed on to the three participating units. From the following analysis, it will be seen that this is not the case with the Bombay Steam Navigation Co. (1953) Ltd., concerned with the Konkan Services. Taking the fleet in use in the Konkan services, the original cost of the fleet is shown as Rs. 124·25 lakhs. The fleet has been transferred at the written down value of Rs. 77·85 lakhs i.e., the original value less the accumulated depreciation of Rs. 46·40 lakhs and the remaining amount is also to be covered by the depreciation accumulating in subsequent years. If any part of such reserves had been passed on at the time of the merger to the newly formed subsidiary Company, there might not have been any need for raising the loan as the capital raised together with the Reserves might have been sufficient to cover the block value of the fixed assets.”*

* All the three quotations are taken from paragraph 11 of the Lokur Report.

41. As regards the suspension of the Panjim traffic, the Board agreed that this would result in some loss in earnings, such loss being set-off to a certain extent by savings in fuel costs, but it did not accept that the loss in earnings to be taken into account for purposes of refixation of the fares should be the full figure of the difference between the earnings in the pre-suspension years and those in the suspension years. The Board considered that a downward adjustment should be made in this figure on account of the general decrease in the passenger traffic on the Konkan Coast as a whole. Similarly, as regards savings in fuel costs, the Board considered that these should not be merely reckoned at the difference between the fuel costs in the pre-suspension year and those in the suspension year, but that an upward adjustment should be made in this figure on account of increased fuel consumption resulting from an intensification of the Harbour and other services after the discontinuance of the Panjim services.

42. Passing on to the question of increases in operational costs the Board conceded the Company's claim *in toto* in so far as fuel costs were concerned, but as regards repair costs, the Board considered that a downward adjustment of the actual costs in this regard was justified both because the costs would not have been so high had the overage steamers been replaced at the right time and because the costs would be correctly reflected in the passenger fares only if they are averaged out evenly between the earlier years of the life of the ships when the repair costs are comparatively low and the later years when they are high.

43. Arguing on these lines and devising its own formula for effecting the necessary adjustments in the figures of savings and increases in costs under the various heads, the Board came to the conclusion that on the whole a 10 per cent. increase, worked out as follows in the passenger fares on the Konkan Coast was justified :—

	Rs.
Increase in direct operating expenses ...	46,000
Increase in indirect operating expenses other than repairs and survey charges.	35,000
Increase in repairs and survey charges ...	1,60,000
Loss of earnings due to suspension of Panjim Service .. .	<hr/> 3,50,000
Total ...	<hr/> 5,91,000

This sum of Rs. 5.91,000 was roughly 10 per cent. of the total earnings of Rs. 64 lakhs.

This recommendation of the Board was accepted by Government and given effect to.

CHAPTER VI.

SCINDIA-BOMBAY STEAM AMALGAMATION SCHEME—TO WHAT EXTENT
THIS HAS A BEARING ON THE PRESENT ENQUIRY.

44. Reference has been made earlier in this Report to the scheme of amalgamation of the Old Bombay Steam Navigation Company with the Scindia Steam Navigation Company and the simultaneous formation of the Bombay Steam Nav. Co. (1953) Pvt. Ltd. and the Scindia Workshop Private Ltd., as two wholly-owned subsidiaries of the Scindia Company. This scheme has been adversely criticised and it is alleged that it has been one of the main contributory causes of the present unsatisfactory state of affairs of the B. S. N. Co. (1953) Ltd. Certain aspects of this scheme have also been commented upon in the Lokur Report. Having in view the relevance of the issue to the present fortunes of the B. S. N. Co., we have considered it necessary to examine the matter in detail and set out the facts clearly so that the transaction may be viewed in its correct perspective.

45. The object of the Amalgamation Scheme is set out in the Scindia and the Bombay Steam Navigation Companies' joint circular letter dated the 16th April 1953 to their shareholders and debenture-holders, relevant extracts from which are reproduced below :—

"For some time past, the Boards of Directors of the Scindia Steam Nav. Co. Ltd., and the Bombay Steam Nav. Co. Ltd., have been considering the question of the merger of the two Companies. After due consideration, the Directors of the respective Companies have come to the conclusion that for reasons of more economical and efficient working of both the Companies it is considered expedient that the B. S. N. Co. Ltd., should merge with the Scindia Steam Nav. Co. Ltd., thereby enabling the members of the B. S. N. Co. Ltd., to participate fruitfully and effectively in the wider business activities of the Scindia Company.

"The operation of the two Companies have been so organised as not to cut into or overlap into each other's activities. Till very recently the B. S. N. Co. Ltd., had a monopoly of the Trades on the West coast of India both in cargo and passengers. Since the close of the Second World War, and especially since the partition of India, the whole character of the Coastal Trades of India, and particularly of the West Coast, has changed to the detriment of the B. S. N. Co. Ltd., and the advent of a number of relatively small shipping companies into this Trade has taken away a goodly slice from the cargo trades both to the North and to the South of Bombay. The Trade with Pakistan (which was formerly Coastal Trade) has practically disappeared.

"The capital structure of the Bombay Steam Nav. Co. Ltd., with a debenture loan of Rs. 2 crores and a share capital of Rs. 75 lakhs cannot be regarded as a balanced structure.

"Looking to the tonnage which the B. S. N. Co. Ltd., presently possesses and the natural limitations on any further expansion of its activities, the possibility of utilising the cash resources of that Company for purchasing new tonnage that could be profitably employed within its normal zone of operations was strictly limited.

"For diverse practical considerations, the Directors of the B. S. N. Co. Ltd., and also the Directors of the Scindia Steam Nav. Co. Ltd., had been considering for a long time the expediency of breaking up the activities of the B. S. N. Co. Ltd., into three clearly distinguishable components :—

- (i) A "Workshop" Company to carry on the business of ship-repairing and general engineering which has heretofore been carried on departmentally by that Company ;
- (ii) A "Passenger Shipping" Company to carry on the business of carriers of passengers along the Konkan Coast and in the Bombay Harbour ; and
- (iii) The "Residual" activities, viz., the cargo-cum-passenger service on the West Coast.

"However, for the reasons stated in paragraphs 2 and 4 above, it was ultimately decided by the Boards of Directors of both the Companies that the better way was for the B. S. N. Co. Ltd., to merge with the Scindia Steam Nav. Co. Ltd., with the simultaneous creation of two wholly-owned subsidiary Companies of the Scindia Co. for the "Workshop" and "The Konkan and Harbour Passenger Services".

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46. The criticism of the scheme has been broadly on the following lines :—

- (1) The scheme was calculated to isolate the Konkan passenger services from the remaining activities of the old B. S. N. Co. and highlight its losing character with a view eventually to closing down unless Government agreed to underwrite the losses in the shape of a subsidy or otherwise.
- (2) When the B. S. N. Co. (1953) was isolated from the remaining activities of the old B. S. N. Co. all the old and inefficient units of the old B. S. N. Co.'s fleet were allocated to the B. S. N. (1953) Ltd., Scindias keeping to themselves the better units.
- (3) The legitimate share of the old B. S. N. Co.'s reserves was not transferred to the new subsidiary and the latter was saddled with an unnecessary loan liability of over Rs. 50 lakhs, on account of which the company could never operate economically.

(4) Had the old B. S. N. Co. not been amalgamated with Scindias the former would in all probability still have been making profits.

(5) But for the amalgamation and the simultaneous redemption of the debenture liability, the Company would still have had enough liquid resources to finance in part the replacement of its old ships.

47. Taking these points *seriatim*, the Company's replies in brief are as follows :—

(1) The Scheme of amalgamation was the logical consequence of —

(a) The changed pattern of the West Coast cargo traffic after the war ; and

(b) The growing incompatibility of the expanding workshop activities of the old B. S. N. Co., with their steamer services.

Since the Konkan Services were of a distinctive and unitary nature a system of pooling of the resources of the companies running the services, commenced after the war and subsequently the companies were merged with the B. S. N. Co. Ltd. Later on, as a result of certain remarks made and certain information called for by the Shah Board the Company considered that it would be desirable to have the working results of the Konkan Services separately. This, they thought would facilitate future inquiries by Government into their fare structure. This was the reason why Scindias thought it advisable to form the B. S. N. (1953) Ltd., as a separate subsidiary exclusively to look after the Konkan Services.

(2) When B. S. N. Co. (1953) Ltd., was formed as a separate Company, it was allotted such units of the old B. S. N. Co.'s fleet as were in use and were only suited for the Konkan Service without regard to the age or condition of the units.

(3) When the cash and other liquid resources of the old Company were set off against its debenture and other liabilities the position was that the Company was left with a net deficit, all its reserves having been locked up in fixed assets. When the B. S. N. (1953) Ltd., was formed its share capital being limited to Rs. 30 lakhs the balance of over Rs. 50 lakhs to cover the total book value of its fixed assets had thus to be reckoned and rightly as a loan from the Scindia Company.

(4) It is not true that, but for the amalgamation scheme, the old B. S. N. Co., would still have been working at a profit. Although the Scindia Workshop (Private) Ltd., has been working at a small margin of profit, the R. S. N. Line, like the Konkan Line, has been working at a loss. The combined result of the three activities of the old B. S. N. Co., over the five years from 1953-54 to

1957-58 has been a loss of about Rs. 39 lakhs. The working results of the Konkan Services would thus not have been any different, even if the amalgamation had not taken place.

(5) The debenture liability of the old B. S. N. Co., threw on the Company an interest burden at the rate of $4\frac{1}{2}\%$ per annum on Rs. 2 crores. As the Company at the time of amalgamation did not need any new ships, there was no question of any investment in new ships. The Company stood only to gain by the redemption of the debenture liability.

48. We have studied the amalgamation scheme in detail bearing in mind the various criticisms referred to above. We have also carefully examined the Lokur Board's Report and taken particular note of the comments made on the subject therein. We have questioned at length witnesses both from the public and from the Scindia and the B. S. N. Companies on all the aspects of the scheme. In addition, we have had the benefit of a discussion of the whole matter with the then Chief Executive of Scindias, Shri N. Dandekar, I.C.S. (Retd.) who was closely associated with the scheme.

49. At the time of merger the fleet of the old B. S. N. Co. stood as follows :—

Name of ship.	Year of build.	Gross tonnage.	Type.
1. <i>Sarasvati</i>	.. 1949	3,750	Passenger-cum-Cargo vessel.
2. <i>Sabarmati</i>	.. 1949	3,750	Do.
3. <i>Rosebank</i>	.. 1920	2,415	Cargo vessel.
4. <i>Sonavati</i>	.. 1936	1,637	Passenger-cum-Cargo Vessel.
5. <i>Netravati</i>	.. 1909	1,538	Cargo Vessel.
6. <i>Bhadravati</i>	.. 1932	1,449	Passenger-cum-Cargo Vessel.
7. <i>Kalavati</i>	.. 1928	1,407	Cargo Vessel.
8. <i>Sheelavati</i>	.. 1921	840	Cargo Vessel.
9. <i>Champavati</i>	.. 1949	1,287	Passenger Vessel.
10. <i>Rohidas</i>	.. 1949	1,287	Do.
11. <i>Ratnagiri</i>	.. 1935	589	Do.
12. <i>Hiravati</i>	.. 1930	579	Do.
13. <i>Chandravati</i>	.. 1933	555	Do.
14. <i>St. Anthony</i>	.. 1936	452	Do.
15. <i>Lilavati</i>	.. 1911	293	Do.

Of these the following were the only ships which were actually operating in the Konkan Coastal passenger services and were suited for this service :—

Champavati, Rohidas, Ratnagiri, Hiravati, Chandravati, St. Anthony and Lilavati.

The remaining ships were actually employed in other sectors of the West Coast trade and were unsuitable for the Konkan passenger service. The allegation therefore, that the B. S. N. (1953), was deliberately allotted only old and inefficient units of the Old Bombay Steam's fleet is untenable.

50. It is a hypothetical question how the old B. S. N. Company would have fared to-day had it continued as it was beyond 1953, and it cannot of course be answered with absolute certainty. However, the fact that the three distinct operations carried out by the old B. S. N. Company have resulted on the whole in the following annual lossess since 1954-55 would seem to show that there is at any rate no ground for presuming that the old B. S. N. Co. would have continued to work at a profit had it continued unmerged. The fact of the matter would seem to be that since 1953-54 certain circumstances have affected the working of the Konkan Coastal Services and there is no basis for assuming that the results of these operations would have been any different had they continued under the old Company instead of the one reconstituted in 1953.

Annual losses of the three combined operations.

	Rs. Lakhs.
1954-55	5·40
1955-56	15·05
1956-57	2·39
1957-58	28·41

51. At the time of merger, the cash resources of the old B. S. N. Co. could have been disposed of in one of three ways :—

- (i) by allowing them to lie idle ;
- (ii) by purchasing more ships,
- or (iii) by utilising them to wipe off the debenture liability.

Of these, the Company chose the last course because there was no question of allowing the resources to lie idle and they considered the purchase of ships not a sound business proposition as they already had an adequate fleet. It may be mentioned in this connection that at that time two ships, viz., the *Hiravati* and the *Lilavati* were over 20 years of age and three ships, viz., the *Chandravati*, the *Ratnagiri* and the *St. Anthony* were nearing that age. Even these

ships, however, cannot be said to have been due for replacement then because passenger ships of this type with proper upkeep could, in the ordinary course, do 25 to 30 years' service and in certain cases even more. Apart from this, Government had by that time, already formulated their scheme for grant of loans to Indian shipping companies at concessional rates of interest. Under this scheme, loans for the purchase of coastal steamers were available on easy repayment terms at 4½ per cent. interest. For passenger steamers the interest rate could conceivably have been negotiated by the companies with the Government even at a lower figure. On the whole therefore, we cannot hold that the redemption of the debenture liability was by any means a wrong step.

52. We have gone into the whole process of merger starting from the merger of the I. C. N. and the Ratnagar in the B. S. N. Co.; the B. S. N. Co. in the Scindia Steam Nav. Co., and the eventual separation of the Workshop and the Konkan Line as independent subsidiaries of the Scindias. Originally the Ratnagar and the I. C. N. which were running purely passenger services were showing profits while the B. S. N. which was running passenger-cum-cargo services was showing a loss, the combined results of the working of the three companies being a loss. When these three companies were merged together in 1950, the result was better profits, the B. S. N.'s contribution being lower than of the other two companies. This showed that at that time the passenger services were actually subsidising the cargo services, rather than the other way about, as is commonly believed.

53. The next step was to merge the B. S. N. in the Scindia Steam Nav. Co., and at the same time to separate from it the Workshop and the Konkan Line. The separation of the Workshop was apparently dictated by the consideration that Workshop activities had nothing to do with the running of steamer services. We understand that where a shipping company also owns a Workshop, the Workshop runs as a separate unit all the world over. The separation of the Workshop was also considered necessary to ensure better cost control over its activities.

54. Similarly the separation of the Konkan Line seems to have been dictated by two considerations. One was the need to exercise greater control over the organisational expenditure incurred on that Line and secondly to separate its operational costs, to facilitate separate accounting.

55. Until the three different activities of the old B. S. N. Co., were separated it was difficult to allocate the common expenditure between them on a rational basis and to ensure proper costing of each separate activity. The separation of the Konkan Line was also essential to enable the proper presentation of its economics before enquiry Boards like the Shah Board and the Lokur Board.

56. It will thus be seen that the separation of the Konkan Line from the other activities of the old B. S. N. Co. was a step merely dictated by the need for the rationalisation of the different activities and for ensuring better organisational and cost control over each of them. This step, at the time it was taken, was calculated to place the Konkan Line financially at an advantage, not at a disadvantage, as then it was the passenger services that were more paying than the cargo sevices.

57. The only criticism of the scheme that still remains unanswered is that relating to the re-allocation of the reserves of the old B. S. N. Co., between B. S. N. (1953), the Scindia Workshops and the Scindia Steam Navigation Company.

The financial position of the old B. S. N. Co., prior to merger, but after redemption of current liabilities and debentures stood as follows :—

Liabilities	Assets.
Rs. Lakhs.	Rs. Lakhs.
Share Capital	74.90
Reserves	169.77
Shortfall	3.22
	247.89
	247.89

The fixed assets and stores were apportioned between the three activities of the old B. S. N. Co. as follows :—

	Rs. Lakhs.
B. S. N. Co. (1953) Ltd.	.. 87.26
Scindia Workshop	.. 10.79
B. S. N. Line	.. 149.84
Total	... 247.89

If the capital and reserves of the old B. S. N. Co. had been apportioned between the three different activities in proportion to the value of the fixed assets, the position would have been as under :—

	Total for B. S. N. Co. Ltd.	B. S. N. (1953) Ltd.	Seindia W/s Ltd.	S. S. N. Co. Ltd.
Share Capital	.. 74.90	26.36	3.26	45.28
Reserves	.. 169.77	59.76	7.38	102.63
Shortfall	.. 3.22	1.14	0.15	1.93
Total	.. 247.89	87.26	10.79	149.84

The fixed assets of the Konkan Line included certain ships which had been completely written off. On their transfer to the books of the B. S. N. (1953) Ltd., these ships were given a nominal value. The fixed assets of the B. S. N. (1953) Ltd., were thus shown in their accounts at a total valuation of Rs. 89·33 lakhs (instead of at Rs. 87·26 lakhs). The "Capital and Liabilities" position, so far as the B. S. N. (1953) Ltd. was concerned, should consequently have changed as under :—

	Rs. Lakhs.
Share capital	... 26·36
Reserves	... 61·83
Shortfall	... 1·14
Total ...	<u>89·33</u>

The Scindia Steam Navigation Co. decided for certain reasons that the B. S. N. (1953) should start with a share capital of Rs. 30 lakhs. Had the B. S. N. (1953) been formed immediately after the merger on 1st July 1952, its "Capital and Liabilities" should thus have stood thus :—

	Rs. Lakhs.
Share Capital	... 30·00
Reserves	... 58·19
Loan	... 1·14
Total ...	<u>89·33</u>

Actually, however, the Company was formed only in August 1953, (by which date the assets had been written down to Rs. 83·70 lakhs) and with capital and liabilities as below :—

	Rs. Lakhs.
Share Capital	... 30·00
Loan	... 53·70
Total ...	<u>83·70</u>

It is therefore clear that what originally appeared as reserves has actually been shown as loan. The justification for this has been explained to us as follows :—

The B. S. N. (1953) Ltd. being a new Company could not start with a reserve. After the amalgamation every asset and liability of the old Co., vested in the Scindia Company. When the new Company was started it could not be given any reserves, as no assets could be transferred by the Scindia Company to the new Company except for an equivalent consideration even when the transferee Company is a wholly-owned subsidiary of the Principal Company. The only alternatives were therefore to treat the fixed assets of the

Company as being covered wholly by capital or partly by capital and partly by borrowing. In choosing between these alternatives one of the important points to be considered was that of tax burden. If a portion of the capital resources was in the form of a loan, the interest on the borrowed capital would rank as expenses for determination of taxable profits. If on the other hand this portion of the capital resources had also been treated as share capital, then all the profits earned by the Company would have been liable to taxation. In that case the profits to be earned by the subsidiary Company to yield a reasonable dividend to the parent Company would have been much higher. It was, therefore, in the best interests of both the subsidiary and the parent Company that the former started with a capital structure in which a part of the capital resources was shown as borrowed capital.

In view of the explanation given above we are satisfied that the rearrangement of the capital structure of the B. S. N. (1953) Ltd., in the way it was done under the merger scheme cannot be objected to even on grounds of propriety, let alone on legal grounds on which it was obviously unexceptionable and accepted as such by the High Court. It may, however, be emphasised that the scheme was based on the expectation that the B. S. N. (1953) Ltd., would continue to make profits as it had been doing till then and not losses. This expectation was proved to be justified by the financial results of the Company in the first two years of its formation. But the situation rapidly deteriorated thereafter owing to unforeseen factors such as the loss of Panjim traffic and the diversion of more and more traffic from the steamer to the omnibus services consequent on the rapid development of Road Transport Services.

58. On the whole therefore we feel that the amalgamation scheme is not open to any objection on grounds, either legal or moral.

59. It has been suggested to us that the operations of the Scindia Steam Navigation Company and of the B. S. N. (1953) Limited, should be viewed not separately but as a single whole as the B. S. N. is a wholly-owned subsidiary of Scindias. It has further been suggested that on this ground the losses of the subsidiary should be borne by the principal Company. Under Company law, principals and subsidiaries are separate entities and there is no legal warrant for the suggestion that the losses of a subsidiary should be borne by the principal Company. The obvious remedy would be to put the subsidiary's operations on a sounder basis, that is to say, in this case by increasing the passenger fares. While this is so in fact, since the Konkan Services are, contrary to the original expectations, now working at a loss, we feel that there is sufficient justification for suggesting that the principal Company should treat the loan made to the subsidiary Company as without interest.

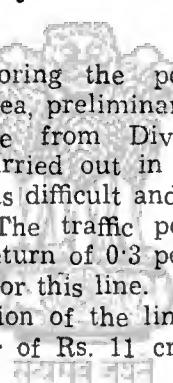
CHAPTER VII.

COMMUNICATIONS—ROAD AND RAILWAY DEVELOPMENT IN KONKAN.

Railway Communication :

60. Konkan does not boast of even a single mile of railway. This may be explained by the fact that owing to the very nature of the terrain, to build a railway there would be both difficult and costly. Besides, the region being well served by numerous water-ways the need for railway communication could not perhaps have been so pressing as elsewhere. Of late, however, there has been considerable public interest in the development of railway communication in the area.

61. From enquiries from authoritative quarters, it appears that the position regarding railway development in Konkan in the near future is as follows :--



With a view to exploring the possibility of constructing a railway line in this area, preliminary engineering and traffic surveys for a railway line from Diva to Dasgaon, a distance of about 94 miles were carried out in 1954. The Survey reports revealed that the terrain was difficult and that there were a number of rivers to be bridged. The traffic potential as assessed during 1954-55 survey gave a net return of 0·3 per cent. on a capital investment of about Rs. 6 crores for this line. Since this appreciation was made, the cost of construction of the line has gone up and is now expected to be of the order of Rs. 11 crores.

Of late, in spite of road and steamer routes, there have been demands from the public and also from the Bombay Government for the provision of rail facilities in this area to relieve congestion in greater Bombay, Thana and Kalyan and to open out fresh areas where industries could be established. The Industries Department of the Maharashtra Government consider that the Kharpara area in Pathalganga Valley is suitable for textile, rayon, chemical and engineering industries. There is also plenty of water and an abundance of forest wealth and some mineral potential as well. The Koyna Project is expected to make electricity plentiful and the Maharashtra Government feels that it is only the lack of transport facilities that is delaying the rapid industrialization of this area.

Keeping these aspects in view, the need for providing rail facilities in this comparatively under-developed region was recognized and the Planning Commission were approached to accord approval to the inclusion of the Project during the Third Five-Year Plan,

The Planning Commission have, after considering all points of view, accorded their approval to the inclusion of Diva to Panvel only with extension up to Uran, a distance of about 30 miles in the Third Five-Year Plan for which preliminary action is to be initiated now. The project as approved is expected to cost Rs. 3·6 crores and this was included in the Railway supplementary demands for grants for the year 1959-60.

There is apparently no intention at present to extend this line further during the ensuing Plan Period.

62. It would thus appear that the only railway line that is likely to be constructed in this tract in the near future is the Diva-Panvel-Uran line. It also appears likely that the Panvel-Dasgaon line too will be taken up, in the not distant future. Beyond these, there appears to be no other line in prospect for the Konkan.

Road Communication :

63. Konkan had in 1948 a total mileage of about 1,400 metalled and 900 unmetalled roads. Since then the State Government have taken considerable interest in the development of roads in the area. As a result of their efforts the road mileage has increased to about 1,900 metalled and 1,500 unmetalled roads.

64. The highlights of road development programme in this region is the West Coast Road, also known as the Bombay-Konkan-Goa Road, estimated to cost Rs. 5 crores, with a 12 feet wide concrete slab and 5 feet wide asphalt shoulders on either side of the concrete slab. In the Konkan this road will extend to a length of 287 miles of which 96 miles will lie in the Kolaba District and 191 miles in the Ratnagiri District. In the Kolaba District, this road is almost completed and in the Ratnagiri District, it is expected that it will be completed within a period of 4 to 5 years.

65. The State Government's road development programme for Konkan includes the construction of the following major bridges :—

Name of bridge.	Estimated Cost. Rs. Lakhs.
(1) Bridge across Kal Creek at Goregaon	... 5·84
(2) Bridge across Kundalika River on Roha-Ashtami Road.	5·19
(3) Bridge across Dharamtar Creek	... 32·48 (already completed.)
(4) Bridge including approaches across Ekdara Creek on Murud-Rajpuri Road.	4·00

Name of bridge.		Estimated Cost. Rs. Lakhs.
(5) Bridge across Belna River ...	...	3.03
(6) Bridge across Bhagral River in Mile 322/5 of B.K.G. Road ...	...	3.00
(7) Bridge across Petdhaval Nala in Mile 316/4 of B.K.G. Road ...	...	0.88
(8) Sangameshwar Deorukh Road bridge across Sadavali Nala ...	...	0.61
(9) Bridge at Anandwahal on Malvan Kasal Road ...	...	0.61
(10) Bridge near Banda across Tarekhola creek on B. K. G. Road ...	...	2.66
(11) Bridge across Kolamb Khadi ..		7.50

66. From the Road map attached to this Report (*vide Appendix V*) it will be seen that the area can now be said to be fairly well served by roads with the exception of the coastal tracts, particularly in the Ratnagiri District. We believe that one of the reasons why coastal steamer traffic has not been increasing, as it should, is the absence of feeder roads connecting the ports with the more important towns in the hinter-land. If such were provided, we feel that the inhabitants of this area will prefer to go to Bombay by steamer rather than by the circuitous, expensive and uncomfortable bus route. We would therefore recommend construction or improvement of the following feeder roads without delay :—

- (1) Shriwardhan ... (i) There should be a Pucca Road from Bag Mandla to Shriwardhan, distance 12 miles.
 (ii) There should also be a road from Hareshwar to Shriwardhan (distance 25 miles). This will connect Bankote and Hareshwar with Shriwardhan.
- (2) Palshet-Boria .. If the present road between Hedvi and Veldur *via* Guhagar is improved, Palshet-Boria traffic could be diverted to Dabhol. It would also be advisable to connect Boria with Chiplun—a distance of 38 miles.
- (3) Karbone ... A road should be constructed between Chiplun and Karbone—a distance of 9 miles.

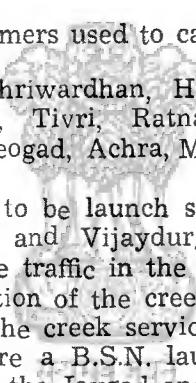
- (4) Tivri ... The road from Ganpatipule should be extended up to Tivri *via* Malgund — a distance of about 4 miles — and the present road from Ratnagiri to Ganpatipule should be improved. This will connect Tivri with Ratnagiri Port,— a distance of 32 miles.
- (5) Jaygad ... The road between Tivri and Jaygad (distance 9 miles) should be improved.
- (6) Purnagad ... (i) The road between Purnagad and Ranpar (6 miles) should be raised in class or at least improved.
 (ii) Also the road between Ratnagiri and Purnagad should be improved and raised in class.
- (7) Musakazi ... The road between Rajapur and Musakazi should be improved.
- (8) Achra ... The road between Achra and Malwan should be made a first class metalled road.
- (9) Vijaydurg ... Roads should be constructed (i) between Karne Ghat and Tarale *via* Vaibhawadi ; and
 (ii) between Khare-Patan and Kusur.
Karne
- (10) Deogad ... A road from Deogad to Achra is necessary.

CHAPTER VIII.

STEAMER SERVICES—NEEDS OF TRAVELLING PUBLIC—FREQUENCY— PORTS OF CALL. ALSO FUTURE TRAFFIC TRENDS IN SO FAR AS CAN BE FORESEEN AT PRESENT.

67. Konkan is by and large a hilly and rugged region cut across by numerous rivers and creeks. Although the interior of Konkan may now be said to be fairly well served by roads, there is still no satisfactory through road communication along the coast, especially in the Ratnagiri District. In view of the difficulties presented by the hilly terrain and the numerous creeks and rivers to be bridged, the provision of such communication is unlikely to be possible in the foreseeable future. On the same account the prospects in regard to railway communication are also just as bleak. The passenger steamer services on the Konkan Coast are, therefore, and will continue to be for many a long year to come, a vital transport need of the Konkan region.

68. In the past the steamers used to call at the ports of—



Revdanda, Janjira, Shriwardhan, Hareshwar, Harnai, Dabhol, Palshet, Boria, Jaigad, Tivri, Ratnagiri, Ranpar, Purnagad, Musakazi, Vijaydurg, Deogad, Achra, Malwan and Vengurla.

In addition, there used to be launch services in the creeks of Dabhol, Jaitapur, Jaygad and Vijaydurg, serving numerous creek ports, which linked up the traffic in the interior with that along the coast. Owing to siltation of the creeks and the diversion of traffic to road transport, the creek services have now ceased except in the Dabhol creek where a B.S.N. launch still continues to ply and to a certain extent in the Jaygad and perhaps one or two other creeks where certain private launches have now taken the place of the old B.S.N. launches.

69. Of the ports formerly being served by coastal steamers, Revdanda, Hareshwar and Purnagad have since been closed for passenger traffic owing to siltation of the anchorages and other causes.

70. So far as the port of Revdanda is concerned, it is stated by the Company that it was served only for a short while and that even then it was being found that the steamers had to enter and leave the port during high tide. The port is said to have been closed for traffic some 20 years ago. Revdanda is only about 8 miles south of Alibag and is served by State Transport buses connecting it with Revdanda and Dharamtar. It seems therefore that there is no need to consider the question of reopening this port for steamer services.

71. As regards Hareshwar, it is said to have been closed for steamers from 1939 onwards owing to siltation of the anchorage. This port is connected with important passenger traffic centres like Mahad and Dasgaon by means of a creek. It lies very close (within a mile or two) of Shriwardhan, which is connected with Lunada, Maheja, Dasgaon and Mahad with a good motorable road and is being now served by a private road transport service. On the whole, therefore, it looks as if there is no need to consider the question of reviving this port either.

72. But when we come to Purnagad, the story is altogether different. This port used to be served until as recently as 1958. In that year the Company "rationalised" the services with a view to reducing their costs by withdrawing one out of the six ships employed in the service. One of the economies effected was the closure of the Purnagad line and since the Vengurla line steamers passed that port only at night, they too could not call there safely at that time. The closure of the port has, however, led to widespread complaint from the local inhabitants. It is said that the port serves some 20 villages with a total population of about 50,000 and that its closure has resulted in the people of these villages being put to grave hardship, particularly in the absence of good road communication or dependable omnibus service between Purnagad and Ranpar or Ratnagiri. In view of this we have investigated the possibility of a steamer service being run again to Purnagad once a week but this had to be ruled out as it involved commissioning of a special ship for the purpose entailing heavy expenditure. We have also investigated the reason why the steamers could not call at this port at any time after mid-day or at night. According to the Company, the difficulty after mid-day was caused by the increased swell and intensity of breakers which at night was accentuated by the absence of proper navigational lights. At our request, a senior Nautical Surveyor of the Mercantile Marine Department, Bombay was deputed to make an on-the-spot study of these conditions. His report showed that with the provision of suitable lights for safe approach to the port during dark hours, vessels could negotiate anchorage there at any time of day or night during the fair season and in fair weather. On this report being referred to the Company, they said that the Nautical Surveyor's investigations were conducted on a day when the weather was particularly fine and that it was unsafe to draw any firm conclusions on the basis of his report. The Nautical Adviser to the Government of India also endorsed the Company's view and suggested that observations of the state of wind, tide, breakers, etc. should be taken by a nautical expert posted on the spot for about a fortnight or a month before any definite conclusions were drawn in the matter. We consider therefore that the matter requires further investigation on the lines suggested by the Nautical Adviser and that this should be

undertaken by the Principal Port Officer of the Maharashtra Government without any loss of time. In the meantime, all that could be done is that the schedules of the steamer services to be adopted for the immediate future should be so framed as to include a call at Purnagad at least twice a week. We recommend accordingly.

73. So far as ports now being served by our steamers are concerned, the statement below gives the volume of traffic handled at each of these ports during the past three years :—

Name of port.	1956-57.	Average per voyage.	1957-58.	Average per voyage.	1958-59.	Average per voyage.
Bombay	.. 7,06,969	1,101	6,89,640	1,107	6,08,313	1,168
Janjira	.. 41,340	161	42,028	163	37,436	174
Shriwardhan	.. 55,873	218	57,955	224	53,601	249
Harnai	.. 70,586	206	67,795	212	57,404	267
Dabhol	.. 83,582	326	85,645	332	75,578	352
Palshet	.. 7,316	82	4,594	76	4,977	54
Boria	.. 7,532	82	5,218	86	4,471	54
Jaygad	.. 45,253	164	45,413	179	38,111	125
Tivri	.. 14,432	160	10,074	165	10,038	105
Ratnagiri	.. 1,17,802	307	1,06,778	290	1,03,939	340
Ranpar	.. 7,220	80	5,004	82	10,188	119
Purnagad	.. 12,695	141	9,245	152	....	....
Musakazi	.. 55,918	190	59,797	196	58,437	190
Vijaydurg	.. 56,015	190	54,912	181	49,969	163
Deogad	.. 58,562	199	63,446	208	45,779	150
Achra	.. 11,541	139	7,046	180	7,079	84
Malwan	.. 47,191	160	38,378	126	52,150	171
Vengurla	.. 46,475	156	47,803	157	33,284	109

It will be seen that, with the exception of Palshet, Boria, Tivri, Ranpar and Achra, the volume of traffic at each port is comparatively heavy. Even at these last mentioned ports where the traffic is comparatively small, steamers should in our view continue to call, at any rate, in the immediate future, as otherwise there will be the same trouble as with Purnagad.

74. The statement at *Appendix VI*, at page 119 *infra* gives the schedules of steamer services as they have stood from time to time since 1935-36.

As regards the frequency of steamer services to be run in the immediate future, this is bound by the limitation of the number and type of steamers at present at the disposal of the B. S. N. Company. With these steamers* all that can be attempted is a slight improvement on the existing pattern of the service. In this connection we have considered carefully various alternative patterns of service. Of these, the pattern which we consider the most suitable, having regard to both the requirements of the passenger traffic and the need for keeping down fares to the minimum level, is virtually the pre-rationalisation pattern except that on the Dabhol and Vengurla lines there may be services only on 6 days in the week instead of on all the 7 days. Accordingly, the model schedules of the services to be run on the Dabhol and Vengurla lines on 6 days a week and on the third line, which it was considered advantageous to run up to Vijaydurg, instead of only up to Purnagad, for 3 days in the week, were framed by us as shown in *Appendix VII*, *vide pp. 127-128*. The main points of difference between these schedules and those that were being operated immediately before the present "rationalised" services came into force are that the Purnagad line is extended up to Vijaydurg. This line calls at Harnai and on the days on which it does so the Vengurla line steamers do not call at that port and thereby save about half an hour's time for the turn round at both their termini.

75. On further consideration, however, the following points of difficulty emerged :—

(1) If the 3 lines were to work as proposed the only spare ship that would be available to do duty for the regular vessels in the event of a break-down or for running "specials" when traffic so requires, would be the *St. Anthony*. The *St. Anthony* has, however, only about half the passenger capacity of the regular vessels and could not take the place of a regular line steamer.

* Name of Ship.				Year of build.
<i>Hiravati</i> (laid up for Scrapping)	...	...	...	1930
<i>Chandrapati</i>	...	...	...	1933
<i>Ratnagiri</i>	...	...	...	1935
<i>St. Anthony</i>	...	...	...	1936
<i>Champavati</i>	...	...	...	1949
<i>Rohidas</i>	...	...	...	1949

(2) The regular line steamers would require dry docking and boiler cleaning once in about 3 months which would take in the case of each vessel some 5 days to a week.

(3) To run the proposed 3 lines satisfactorily a sixth vessel would be really necessary but this is not available.

With only 5 ships of which one is a vessel of limited passenger capacity like the *St. Anthony*, the best that is feasible as regards the thrice weekly line is that this line has to be curtailed to a weekly service during the slack season from October to January. As the traffic at Vijaydurg and Musakazi does not justify more than one call by a steamer at either port on any one day, this line can, without causing undue public inconvenience, be terminated at Purnagad. It is further considered an advantage that on the days on which this line operates, the Vengurla line steamers need not call at Jaigad which means a saving of valuable time for the latter to the extent of one and a half hours.

76. Taking into account all these considerations, the schedules as originally framed by us have had to be revised as indicated below. These are the patterns of services that we consider suitable for adoption and would recommend for the immediate future.

(1) *Dabhol Line*.—This service to continue as at present.

(2) *Purnagad Line*.—To operate from 1st of October till 31st of January once a week.

From 1st of February, to operate thrice a week till the end of the season.

(3) *Vengurla Line*.—To operate on the same lines as prior to rationalisation of the services, from 1st September to 30th September and from 1st February to the end of the season.

From the 1st of October, this service to cater for the minor ports on the Purnagad Line twice a week till the 31st January.

77. Konkan may be assumed to share equally with the other parts of the country, a general tendency to an increase in traffic owing to—

(1) Increase in population,

(2) Increase in the industrial tempo,

(3) The growing trend of movement of population from rural to urban areas, and

(4) Increased employment opportunities in big cities like Bombay.

Nevertheless, the fact that the steamer passenger traffic between Konkan and Bombay has been showing a steady decline for the past 10 years or so will be seen from the following :—

Year.	Total No. of passengers on Konkan Line.
1947-48	... 11,19,914
1948-49	... 8,82,937
1949-50	... 8,77,315
1950-51	... 8,94,076
1951-52	... 8,79,568
*1952-53	... 9,34,785
1953-54	... 8,63,064
1954-55	... 8,00,702
1955-56	... 7,24,688
1956-57	... 7,69,520
1957-58	... 7,45,689
1958-59	... 6,65,723
1959-60	... 6,35,662

These figures are inclusive of Panjim traffic.
*Exposition Year of the body of St. Francis Xavier.

+ 5,789 Karwar traffic.
+ 16,908 Karwar traffic.
+ 3,999 Karwar traffic.

This downward trend has been noticed by both the Shah Board and the Lokur Board. The reason for the decline has been attributed by different people to different circumstances. Some of them may be mentioned :—

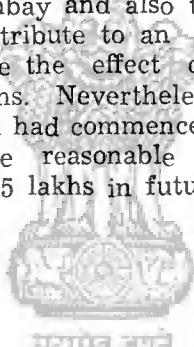
- (a) The high rate of passenger fares,
- (b) The unsatisfactory nature of services e.g. unpunctuality, low sanitary standards, uncertainty in regard to finding accommodation,
- (c) The inadequacy of the services,
- (d) Diversion of traffic to road transport.

Whatever may be the reasons we cannot ignore the fact that the traffic has been declining at the rate of about 30,000 a year during the past four years. It cannot be expected that this downward trend can be checked except within very moderate limits by any

improvement in the pattern of the steamer services with the existing type of ships. But when better and somewhat faster ships arrive it stands to reason that traffic will respond to improved conditions.

78. Up to the year 1957-58 the annual decline in traffic was only to the extent of 30,000 but in 1958-59 which was the first year of the rationalised services, the decline was as much as 80,000. Of this only some 50,000 can be reasonably attributed to the rationalisation of the services.

The traffic figure in 1958-59 was about 6.65 lakhs, and in 1959-60, 6.35 lakhs. The drop in the traffic of 30,000 in 1959-60 was mainly due to the early closure of the services owing to adverse weather conditions in May 1960. With the suggested improvement in the services, viz. the re-introduction of the Purnagad Line, which was in existence prior to rationalisation, the traffic is likely to go up. In addition, the general increase in population and economic and industrial activity in Bombay and also to some extent in Konkan are also expected to contribute to an increase in traffic. These factors are likely to have the effect of increasing the traffic to some extent, say to 7 lakhs. Nevertheless taking into consideration the declining trend, which had commenced even before the so-called rationalisation it would be reasonable to assume that passenger traffic would be about 6.75 lakhs in future.



CHAPTER IX.

PRESENT COST OF STEAMER SERVICES—TO WHAT EXTENT SUSCEPTIBLE OF REDUCTION.

79. The expenditure incurred by the Company on the Konkan coastal services falls under the following broad heads :—

- (1) Operational expenses of the steamers including salaries, wages, and other emoluments of the floating staff ;
- (2) Expenditure on the shore organisations at head-quarters and at outports.

80. There has been some public criticism of certain items of expenditure as follows :—

- (i) (a) Salary and wage rates are unduly liberal ; and (b) the service is overstaffed.
- (ii) Fuel costs should have come down with the reduction in the strength of the Company's fleet.
- (iii) The charges under the heads "Repairs and Surveys" and "Stores and Water" are inflated because all repairs and surveys and purchase of stores, etc. are effected through the Scindia Workshop without inviting tenders.
- (iv) Insurance charges are higher than before because the ships are being insured with Scindias' own insurance organisation, viz., the Jalanath Insurance Limited.
- (v) The Company has been paying unnecessary interest charges to Scindias.
- (vi) Bonus has been paid to staff contrary to agreement even in years when the Company has made losses.

81. We have had the accounts of the Company for the past few years carefully scrutinised, particularly in the light of these criticisms. The results of the scrutiny are set out below :—

Salaries and Wages.—Appendix VIII appended to this Report contains statements showing—

- (1) the details of the shore staff employed by the B. S. N. Co. (1953) Private Ltd., at headquarters and at out-ports.
- (2) the strength of officers and crew on each of the Company's ships.
- (3) comparative statement of the salary and wage rates of this and other Companies in regard to staff, both ashore and afloat.

82. The salaries and wages paid by the Company can be broadly classified under two categories, viz. those of the floating staff employed on the ships, launches and "padaos" (passenger lighters) and those of the shore staff employed in the head office and out-station offices. The Company had 7 ships and 9 launches in 1953-54 which were gradually reduced to 6 ships and 2 launches by 1958-59. In the latter year another ship was laid up for which a skeleton staff only is being maintained. The total wage bill of the floating staff for each year since 1953-54 was as follows :

Year.	Rs. Lakhs.
1953-54	12.08 (for 10-2/3 months only).
1954-55	... 14.46
1955-56	... 12.87
1956-57	... 11.82
1957-58	... 11.62
1958-59	... 11.60

83. For the same years the wage bills of just the 5 ships now in operation in the Konkan Services and the launch *Mira* employed in the Dabhol creek were as follows :—

Year.	5 Ships and <i>Mira</i> . Rs. Lakhs.
1953-54	... 7.49 (for 10-2/3 months only).
1954-55	... 8.68
1955-56	... 8.34
1956-57	... 8.26
1957-58	... 8.19
1958-59	... 8.20

It will be noticed that the wage bills of the floating staff, even if only the ships and the launch now in service are taken into account, have been showing a gradual, though small, reduction from year to year.

84. The wage bills of the shore staff employed in the head office and outstation offices for the various years were as follows :—

Year.	Rs. Lakhs.
1953-54	... 6.90 (for 10 $\frac{2}{3}$ months only).
1954-55	... 7.07
1955-56	... 6.70
1956-57	... 8.17
1957-58	... 8.33
1958-59	... 8.60

The wage bills for the last three years of the head office and other offices separately were as given below :—

Year.	Head Office Rs. Lakhs	Other Offices. Rs. Lakhs.
1956-57	... 3·64	4·53
1957-58	... 3·88	4·45
1958-59	... 4·10	4·50

It will be noticed that the wage bills of the shore staff had shown a decline up to 1955-56 but have been on the increase since then. The Company say that the increase from 1956-57 onwards has been due to the grant in that year of two increments to the officers and staff (one special and one ordinary) with retrospective effect from 1st June 1955 and the increase in the dearness allowance rates. These had to be given in accordance with an Agreement between the Company and its staff union signed in March 1957. The number of employees has, however, not shown any increase but has actually shown a slight decrease since 1953-54 as will be seen from the following figures :—

Departments.	10·8 1953	30·6 1954	30·6 1955	30·6 1956	30·6 1957	30·6 1958	30·6 1959
Officers 7 7 7 7 7 7							
Clerical—							
Head Office 49 48 46 49 48 45 44							
Local Offices 5 5 5 4 4 4 4							
A-Dock 70 69 68 66 67 63 58							
Out-ports, Konkan Line .. 29 29 30 28 28 28 26							
Total (Clerical) .. 153 151 149 147 147 140 132							
Non-clerical such as Peons, Watchmen, Hamals and Sweepers. 45 45 44 42 40 40 39							
Total .. 198 196 193 189 187 180 171							

It will be seen that some reduction in staff has been effected in the head office and Alexandra Dock. There has also been a slight reduction in the number of staff at out-ports from 29 in 1953 to 26 in 1959 although at each port only one or two persons are employed.

85. It is understood that the B. S. N. Co. (1953) Pvt. Ltd. has been rendering ticket audit service to the S. S. N. Co., Ltd. for which it has been charging the latter Rs. 14,000 per annum. It is further understood that the B. S. N. Co. (1953) Pvt. Ltd., is paying a sum of Rs. 23,000 per annum to the S. S. N. Co. Ltd., for the establishment work done by the latter in respect of the floating staff of the B. S. N. Co. (1953) Pvt. Ltd.

86. The totals of salaries and wages paid in the different years as compared with the total operating expenses are shown below :—

Year.	Operating expenses.	Salaries and Wages.		Percentage of salaries to operating expenses.	
		Head Office.	Port and Local Offices.	Head Office.	Port and Local Offices.
		Rs. Lakhs.		Per cent.	
1953-54	..	52.99	6.90*	....	13.02
1954-55	..	57.29	7.07*	....	12.34
1955-56	..	52.50	6.70*	....	12.76
1956-57	..	56.72	3.64	4.53	6.42
1957-58	..	59.53	3.88	4.45	6.52
1958-59	..	48.01	4.10	4.50	8.54

(*Includes salaries at ports and local offices also).

It will be noticed that from 1954-55 the percentage of salaries has been showing a gradual increase. It was however slightly lower in 1957-58 owing to higher operating expenses in that year. The increase in percentage in 1958-59 was higher than in the previous years owing to a reduction in the operating expenses.

87. *Office expenses.*—The total office expenses incurred by the company at the head office and other offices in the various years are indicated below :—

Year.	Rs. Lakhs.
1953-54	2.05
1954-55	2.35
1955-56	2.25
1956-57	2.04
1957-58	2.60
1958-59	2.41

It will be noticed that expenses have been fluctuating between Rs. 2.00 and Rs. 2.60 lakhs. This, it is considered, is probably not unduly high.

88. *Repairs to Vessels.*—The repair charges of the ships and launches constitute one of the important elements of the Company's operating expenses. The repair charges incurred during the last few years is indicated below :—

Year.		Expenditure on repairs. Rs. Lakhs.
1953-54	...	4.86 (for 10-2/3 months only)
1954-55	...	12.28
1955-56	..	12.98
1956-57	...	12.07
1957-58	..	16.91
1958-59	...	10.88

These figures include charges on repairs carried out to ships and launches in the Scindia Workshop and to "padaos" elsewhere. It will be noticed that the repair charges have gone up considerably since 1953-54 and have been fluctuating widely from year to year. The exceptionally high figure in 1957-58 was due to the four yearly survey of the ships.

89. Repair charges are classified by the Company under the following heads :—

- (1) Repairs to decks.
- (2) Repairs to engines.
- (3) Repairs done on survey reports.
- (4) Repairs to boats.
- (5) Survey fees.

Of these, the repairs to boats are carried out, and the charges involved borne directly, by the Company. Similarly the survey fees are also paid direct by the Company. Only the first three categories of repairs are thus entrusted to the Scindia Workshop Ltd. On these the Scindia Workshop Ltd., charge actual cost plus profit.

90. In order to decide whether the repair charges levied by the Scindia Workshop Ltd. from the B. S. N. (1953) are competitive and reasonable, it is necessary to compare their rates with those of other ship repair firms. This, however, is not possible because ship repair work is of a non-standard nature and no firm will quote for work not entrusted to them. The repair work secured

by the Scindia Workshop Ltd. from outside the Scindia group of companies should, however, indicate in a broad way the reasonableness or otherwise of their charges, as compared with those of other ship repair firms. We understand that the Scindia Workshop Ltd. are getting repair work regularly from the India Steamship Company and the Eastern Shipping Corporation, on the understanding that they too would be charged on the same basis as Scindias. The increasing volume of work secured by the Scindia Workshop Ltd., from these companies would indicate broadly that the rates charged by them are not high. The repair cost incurred by the B. S. N. Co. may thus be taken to be reasonable.

91. Stores and Provisions.—The B. S. N. Co. does not have any special organisation for the purchase of materials and stores nor for their storage and issue. The Scindia Workshop undertakes this work for the entire Scindia organisation including the B. S. N. and charges the B. S. N. the actual cost of the stores and materials *plus* the cost of the services rendered, viz. purchase of materials, store-keeping and store-accounting. If the B. S. N. Co. (1953) Pvt. Ltd., were to maintain its own purchasing and store-keeping organisation, it would in all probability have to spend more on establishment and other charges and would also be required to keep large stocks thus locking up more capital. The present arrangement under which it gets its stores and materials through the Scindia Workshop therefore appears to be suitable.

92. Fuel.—The B. S. N. Co. (1953) Pvt. Ltd. purchases its requirements of coal and fuel oil direct from the suppliers. Coal is purchased through the Bombay Coal Allocation Committee. Fuel oil and diesel oil are, however, purchased direct from the Standard Vacuum Oil, Co., at the Scindia Steam Navigation Company's bulk purchase rates which are lower than the market rates.

93. Marine Insurance.—The Company used originally to insure its vessels in the London market, but since 1952 has transferred it to the Indian market. At present, of the total amount insured, 57 per cent. is with Jalanath Insurance Ltd. (which is a subsidiary of Scindias), 20 per cent. with the New India Assurance Co. Ltd. and 23 per cent. with other Insurance Companies.

94. The Insurance premium varies from ship to ship and from year to year depending upon the condition of the ship. It will be

observed from the following statement that there has been a gradual reduction in the premium paid :—

Year.	Insurance Premium paid.	Amount insured.
	Rs. Lakhs.	Rs. Lakhs.
1953-54	... 3·23	184
1954-55	... 3·21	179
1955-56	... 2·76	171
1956-57	... 2·57	171
1957-58	... 2·46	171
1958-59	... 2·10	171

95. *Interest payments to Scindias.*—The B.S.N. Co. has been paying interest on its borrowed capital taken from Scindias. The details of this arrangement have been dealt with in Chapter VI *supra* explaining the merger scheme. As pointed out therein we consider that this interest charge should in future be disallowed in the computation of the costs of the Konkan steamer services.

96. *Bonus.*—The employees of the B. S. N. Co. (1953) Pvt. Ltd. are members of the Scindia Staff Union and are governed by all the agreements that are being entered into from time to time between the S.S.N. Co. Ltd., and the Staff Union. In the agreement between the S.S.N. Co. Ltd., and the Staff Union, dated 8th May 1953, the scale of bonus to be paid to the staff related to the dividend declared by the S.S.N. Co. Ltd. The bonus was to be paid according to this agreement by the hundred per cent. subsidiaries of the S.S.N. Co. Ltd. also even when no dividend was paid by such "subsidiaries, but, where such a subsidiary Company made a loss,* no bonus was payable to its staff. Subsequently in an agreement between the B.S.N. Co. (1953) Pvt. Ltd., Scindia Workshop Ltd., and the Union of the Staff of the Scindia and Associated Companies, dated 26th March 1957, the scale of bonus was revised and it was stipulated that bonus was payable "except where B.S.N. Co. (1953) Pvt. Ltd. makes a loss in which case there will be no bonus payment to the staff of that Co." It is clear that the intention of the agreement was that bonus shall be paid to the employees of B.S.N. Co. (1953) Pvt. Ltd., *only* when the Company made a profit. Nevertheless, in spite of the fact that the Company has been incurring

* Italics ours,

losses since 1954-55, it has been paying bonus to its employees all these years. The amounts of bonus paid in the different years are given below :—

Year.	Amount.		
	Rs.		
1954-55	... 69,401	paid in the following year.	
1955-56	... 1,27,181	Do.	do.
1956-57	... 2,79,430	Do.	do.
1957-58	... 2,13,408	Do.	do.
Total	... 6,89,420		

97. We have enquired from the Company the reason why in spite of making losses they had been paying bonus to the staff. They have replied that they had to do this not only to promote harmonious relations with the Staff Union but also because the staff of the Bombay Steam were inter-changeable with that of Scindias at certain levels. They have also pointed out in this connection that some employees of the Scindia S.N. Co. have been loaned to the B.S.N. Co. and that the interchangeability applies not only to shore staff but also to ships' officers. In view of this explanation, we have been obliged to admit this expenditure as a *fait accompli*.

98. On the whole, our finding is that the operating expenses incurred by the B.S.N. Co. (1953) Pvt. Ltd., are not unreasonable, but that the item of interest charges to Scindias should in future be excluded from such expenses.

CHAPTER X.

LOSSES AT PRESENT FARES—HOW THESE SHOULD BE MET.

99. In order to make an assessment of the expenditure likely to be incurred in running steamer services of the pattern recommended by us in Chapter VIII in the immediate future, we had ourselves worked out certain estimates in this respect and asked the B. S. N. Co. to furnish similar estimates independently. We had prepared our estimates on the basis of the actual expenditure incurred by the Company during the past few years making adjustments where necessary to suit the slightly changed pattern of the proposed new services. The Company on the other hand prepared their estimates on the basis of the actual expenditure incurred during the latest year (1958-59) for which audited figures of expenditure are available. Between the two sets of estimates it was found that the only heads under which there was substantial disparity were "Salaries and wages of the floating staff" and "Repairs". Under these heads our estimates compared with those of the Company as follows :—

For 1960-61.			
Our figures.	Company's figures.	Difference.	
(In lakhs Rs.)			
Salaries and Wages of Floating Staff.	12.30	13.54	1.24
Repairs	10.75	13.12	2.37

(The above figures are inclusive of those of the Harbour Services).

100. In regard to "Salaries and wages of floating staff", while we had taken into account the expenses in respect of five ships only, on the ground that the future pattern of services will be run with only that number of ships, the Company had taken into account the expenses in respect of all their existing six ships, including the *Hiravati* which has been laid up. The Company justified this by pointing out that the total expenses that they had taken into account, although they related to all the six ships really comprised the cost of only five complements of Officers and crew, as during the year one or other of the two ships, the *Hiravati* and the *Chandrapati* was always laid up and between these two ships practically only one complement of officers and crew was employed. In view of this explanation, the Company's estimate appeared to be the more realistic and has, subject to certain slight adjustments, been accepted by us as being nearer the mark.

101. As regards "Repairs", the Company justified their higher estimate as compared with ours on the ground that in their opinion the past actuals did not constitute a reliable guide for estimating future costs. They argued that as the ships grow older the repair

charges go on mounting up. Our estimate was based on the actuals of the past four years including the special four yearly survey charges incurred in 1957-58. Although we do not dispute the Company's argument in support of their estimate we feel that our estimate does not stand in need of any modification. If our recommendations in the next chapter relating to the long term pattern of services are accepted, two of the existing overage ships will be replaced by new ships by 1962-63 at the latest. It should, therefore, be possible to secure exemption for these ships from the four yearly survey due in 1961-62 or at any rate to keep down the four yearly survey repairs to the barest minimum necessary for the ships to carry on for another year. In view of this the repair charges as previously estimated by us will still further go down by some Rs. 50,000. We, therefore, reckon repair charges during the next two years for all the existing five ships together at Rs. 9,50,000 per annum.

102. After reconciling to the extent considered necessary, our figures and those of the Company under the various heads we have estimated that the expenditure on the steamer services for the next two years will work out as follows :—

		(In lakhs Rs.)
	1960-61	1961-62
(1) Wages of floating staff	..	12.24
(2) Salaries of shore staff	..	8.47
(3) Stores	..	2.66
(4) Fuel	..	14.14
(5) Repairs	..	9.50
(6) Insurance	..	1.75
(7) Port dues	..	1.37
(8) Depreciation	..	4.13
(9) Office Expenditure	..	2.25
(10) Bonus	..	1.46
Total	..	57.97
		58.61

(The figures of depreciation and bonus have been taken at a uniform rate for both the years, although the former will show a slight decrease and the latter a slight increase from year to year). In addition to these expenses we consider it fair that the Company should be allowed sufficient profit to yield a dividend of 4½ per cent, subject to dividend tax on their share capital of Rs. 30 lakhs. Dividend at this rate is what is being paid by Scindias over a period of years and we cannot allow a larger percentage in case of the B. S. N. as

it is actually making a loss. The amount of profit to be earned by the Company to yield this dividend would work out to Rs. 2.46 lakhs (subject to taxation) *per annum*. On the assumption that a small contribution of Rs. 9,000 would be forthcoming from the Harbour Services, the profit to be earned by the Konkan Services would work out to Rs. 2.37 lakhs. In order to make the services economic, the revenue requirements will therefore be as follows :—

Rs. Lakhs.

1960-61	...	60.34
1961-62	...	60.98

103. The Company's main source of income is the passenger fares levied in the Konkan Coastal Services. During the past three years they have been earning a little extra income from the Karwar traffic as well. Their actual earnings during the past three years for which audited figures are available from the two sources work out as follows :—

		1956-57.	1957-58.	1958-59.
No. of passengers—				
Konkan	.. ..	7,69,520	7,45,689	6,65,723
Karwar	.. ..	....	5,789	16,908
	Total ..	7,69,520	7,51,478	6,82,631
Income from fares—		Rs.	Rs.	Rs.
Konkan	.. ..	59,62,330	57,98,017	51,30,566
Karwar	.. ..	....	1,87,273	3,05,023
	Total ..	59,62,330	59,85,290	54,35,589
Income from luggage, parcels and visitors passes.		Rs.	Rs.	Rs.
		3,27,796	3,70,146	2,70,496
	Total ..	62,90,126	63,55,436	57,06,085

At the present rates of fares in the Konkan Coastal Services, the Company's income works out to an average of Rs. 7.69 n.P. per

passenger. At a traffic level of 6.75 lakhs which is our estimate for the future, on the basis of the slightly improved pattern of services to be run in the immediate future with the existing ships, the annual income of the Company will work out to Rs. 55.05 lakhs. As regards Karwar traffic, this is, in the ordinary course, handled by the Scindia Steam Nav. Co.'s cargo-cum-passenger vessels plying between Bombay and Cochin. Owing to the lifting, in April 1958, of the permit system for passengers proceeding to Goa, there was a spurt in this traffic which proved to be beyond the capacity of the Scindia steamers to handle. Whatever was surplus to their capacity was, therefore, allowed to be carried by the B. S. N. Co's Konkan line steamers. The B. S. N. Co. say that this traffic has since been showing a marked decline and that their share of the traffic in future years will be negligible. This appears to be borne out by the fact that in 1959-60 the B. S. N. Co.'s share of the Karwar traffic was only 3,999 passengers and their income from this traffic only Rs. 70,681 as compared with 16,908 passengers and Rs. 3,05,923 in the previous year. Nevertheless, we feel that we can reasonably estimate the Company's income from this source in future years at Rs. 1 lakh per annum. The total revenue expectation of the Co. for the coming two years would thus be—

	Rs. lakhs.
From Konkan traffic—	
Passenger fares	51.93
Luggage and Parcels	2.62
Visitors passes	0.15
Miscellaneous	0.35
	<hr/>
	55.05
From Karwar Traffic	1.00
	<hr/>
Total ...	56.05
	<hr/>

There will thus be a short-fall in the Company's revenue as compared with the expenses, including a reasonable margin of profit, for the coming two years as follows :—

	Rs. lakhs.
1960-61	... 4.29
1961-62	.. 4.93

In order to make good the above short-fall, the extent of increase in fares necessary would be about 8 per cent.

104. It is alleged that the existing level of fares is already on the high side and does not permit of any enhancement. The arguments put forward in support of this view are that—

- (1) the travelling public in the Konkan are generally poor.
- (2) even at the present rates of fares, the cost of travel *per mile* by steamer is higher than the cost by rail or road transport, and that
- (3) the present steamer fares are already some 300% above the pre-war rates.

As against these arguments, the Company contend that—

(1) It is the industrial workers in Bombay from the Konkan region that constitute the bulk of the passengers utilising the Konkan steamer services. The earnings of these workers have gone up three to four times as compared to their pre-war earnings. An increase in the passenger fares will thus be quite justified by their earning capacity.

(2) From the more important ports on the Konkan coast the fares to Bombay by steamer are appreciably lower than by the road or road-cum-rail route.

(3) The present steamer fares are only about 150 per cent. over the pre-war rates, while in other passenger steamer services, the fares have gone up by 250 per cent. or more.

105. A statement is appended (*vide Appendix IX*, pp. 141-145) showing the passenger fares on the Konkan coast as they stood from time to time from 1939-40 onwards. That statement also gives the fares in terms of rate *per mile* from time to time which were as given below :—

1939-40 between 2·7 and 6·9 pies *per mile*.

1941-42 between 4·5 and 10·3 pies *per mile*.

1944-48 between 7·1 and 11·4 pies *per mile*.

1949-50 (50 per cent. increase in fares) between 10·3 and 17·1 pies *per mile*.

1949-50 (after reduction by $8\frac{1}{3}$ per cent. in pursuance of the Shah Board's recommendation) between 10·0 and 16·0 pies *per mile*.

1956-57 between 10·6 and 17·7 pies *per mile*.
(5·6 and 9·2 nP. *per mile*).

The existing rate *per mile* charged by the Railways is between 5 and $6\frac{1}{2}$ pies (i.e. 3 and 4 nP.) by express trains and between $4\frac{1}{2}$ and $5\frac{1}{2}$ pies (i.e. 2 and 3 nP.) by ordinary trains, while that charged by the Bombay State Transport Services is 5 nP. The Railway fares are subject to a passenger tax of between 5 per cent. and 15 per cent.

depending on the total mileage travelled. The rate *per mile* by steamer is thus about double the rate by rail and about $1\frac{1}{2}$ times the rate by road.

106. The different conditions under which railways and road transport services on the one hand and the Konkan steamer services on the other operate render it, however, difficult to draw any inference from a straight comparison between the rates of fares charged by the two. While unlike the railways the steamer services do not have to maintain a permanent way and other costly installations, the steamers themselves entail high capital outlay and have to operate under much more onerous conditions as to manning, passenger space, safety and other requirements than railways. It is, therefore, not possible to conclude from the mere fact that the rate *per mile* by steamer is higher than that by rail or road transport that the former is unreasonable.

107. The following statement gives comparative fares by steamer and by 'bus between Bombay and the Konkan ports :—

Port.		Distance from Bombay by sea (N. M.).	Present steamer fares (lower class).	Distance from Bombay by road by the shortest route.	Fares by S. T. buses.
Rewas	..	11	0·94	96·4	4·80
Dharamtar	..	21	1·25	66·0	3·20
Harnai	..	78	6·07	180·7	9·00
Dabhol	..	95	6·07	189·7	9·50
Gawalkote	..	....	6·63	183·1	9·30
Jaygad	..	111	7·57	275·6	14·00
Ratnagiri	..	136	7·57	283·3	12·10
Rajapur	..	....	9·88	....	13·60
Musakazi	..	158	9·07	289·0	14·50
Vijayadurg	..	164	9·88	341·0	17·30
Deogad	..	178	11·44	336·7	17·00
Achra	..	191	12·13	363·2	18·30
Malwan	..	201	12·13	357·4	17·90
Vengurla	..	223	13·63	367·2	18·20

It will be observed that the fares by State Transport buses in each case is more than 1½ times the steamer fare. A passenger by steamer services is better off than one by S. T. 'buses in that—

- (a) He has to cover a very much shorter distance,
- (b) He gets better and more sitting and reclining space
- (c) He gets much greater free luggage allowance and,
- (d) His journey is far more comfortable in that he is not exposed to the dust and din of road traffic.

In addition to all this he pays a lesser fare.

108. In the ordinary course, therefore it would not be unreasonable if steamer fares are raised to the level of State Transport omnibus fares. There is, however, one difference between the steamer services and the State Transport services. The former have all along been, and still continue to be, the poor man's transport, while the latter caters for a slightly more well-to-do class of passengers. In view of this, the people of Konkan feel that the existing rates of steamer fare ought not to be increased, however, justified this may be theoretically. Even the B. S. N. Co. consider that it would not be practicable to raise the steamer fares to the full extent justified by the costs of the services. While we fully appreciate these feelings we consider that if the steamer services are to continue, as indeed they must, an appreciable increase in fares is inescapable.

109. It may, in this connection, be asked whether any appreciable increase in Konkan steamer fares would not have an adverse effect on the volume of traffic carried. When the Company raised the fares by 50 per cent. (later reduced to 37½ per cent.) in 1949-50, this was not followed by any decrease in the traffic as may be seen from the following figures. On the contrary, there was a slight increase in the first 3 years :—

Year.	Traffic carried.
1948-49	... 8,19,542
1949-50	.. 8,23,123
1950-51	... 8,28,161
1951-52	... 8,18,926
1952-53	.. 8,10,894
1953-54	... 8,05,113

When the fares were again increased by 10 per cent. in 1956-57 on the recommendation of the Lokur Board there was a fall in traffic in the subsequent years as shown below :—

Year.	Traffic carried.
1956-57	... 7,69,520
1957-58	... 7,45,689
1958-59	... 6,65,723

The Company say, and we are inclined to agree with them, that the downward trend in traffic had already commenced from the year 1954-55 and that the slight fall in traffic subsequent to increase in fares by 10 per cent. in 1956-57 was merely a continuation of the same trend and not the result of the increase in fares as such. On the whole, therefore, it appears unlikely that even an appreciable increase in the Konkan passenger fares will have any material effect on the volume of traffic carried.

110. Turning our attention again to the shortfall in revenue for the next two years, which we expect will be the maximum period for which the services will continue to be operated with the existing ships, we would recommend that this should be wholly covered by an increase in passenger fares of 8 per cent. over the present rates, with immediate effect. The fares so increased will stand as shown in Appendix X.

111. The Company have represented to us that they have brought to Government's notice the problem of their recurring losses since 1954-55. They say that their losses up to the end of June 1959 amounted to about Rs. 20 lakhs and that, even if the whole of it is not made good, at least the losses incurred since the 24th September, 1957 should be made good, since on that date at a meeting held with the Director General of Shipping, they had clearly indicated that they could not continue the service unless an immediate rise in fares was allowed.

112. We find from the minutes of the meeting held by the D. G. Shipping on the 29th September 1957, that he pointed out that a 10 per cent. increase of fares had been allowed only in September 1956 on the recommendation of the Lokur Board and that Government would not permit any further increase at least till the commencement of the 1958-59 season. Any case for the re-imbursement of the losses would thus arise only from the commencement of the 1958-59 season i.e. from September 1958.

113. According to the Company's accounts, their losses in 1958-59 amounted to Rs. 5.15 lakhs. In arriving at this figure they had taken into account a sum of Rs. 2.25 lakhs as provision for special survey repairs and another of Rs. 1.27 lakhs as interest charges on the borrowed capital from Scindias. In accordance with our conclusions

arrived at in the Chapter relating to the merger scheme, the latter sum must be dis-allowed. As regards the sum of Rs. 2·25 lakhs provided for special survey repairs, we consider it excessive. The actual provision on this account should according to our reckoning have been only about Rs. 1 lakh. The loss in 1958-59 should thus be taken at about Rs. 2·5 lakhs only. The Company's audited accounts for the year 1959-60 are not yet ready. Assuming that in that year too there was a loss of the same order as in the previous year, the total loss incurred by the Company since the commencement of the 1958-59 season may be regarded as amounting to about Rs. 5 lakhs. Strictly speaking, the Company may be said to have a case for reimbursement to this extent. The losses were, however, due to the inadequacy of the fares. The reimbursement thereof should thus rightly come from the travelling public and not from Government. As there is no means of getting any reimbursement from the travelling public, we feel that the Company has no alternative but to bear the losses itself. The amount involved is comparatively small and it would not, in our opinion, be unduly harsh to expect the Company to ignore it.



CHAPTER XI.

**LONG TERM PATTERN OF THE KONKAN STEAMER SERVICES — TYPE OF
SHIP TO BE ORDERED IN REPLACEMENT OF THE EXISTING ONES —
ADDITIONAL COSTS OF THE SERVICES AND HOW
THESE SHOULD BE MET.**

114. There has been a widespread demand that the steamer services on the Konkan Coast should in future be faster and should provide better amenities to passengers than at present. There is a further demand that the steamer services should not be confined to the fair weather months but should operate in the rainy season as well.

115. It must be conceded that these demands are *prima facie* legitimate and reasonable. We have been anxious to meet them as far as possible and have therefore devoted a great deal of attention and much of our time to a study of the problems involved.

116. Monsoon service would require ships of somewhat bigger dimensions, particularly draft, than would suffice for fair weather service. The operational costs of such ships would be substantially higher than those of ships merely suited for fair weather traffic. Apart from this, a monsoon service could be thought of only if all weather facilities existed at least at a few of the more important Konkan ports, e.g., Ratnagiri, Dabhol, Jaigad, Vijaydurg and Devgad. The provision of all weather facilities at these ports is beset with so many difficulties that in spite of our best efforts we have not been able to come to any definite conclusion regarding its feasibility. We are advised that the requisite data on the basis of which alone a decision could be taken in the matter are lacking. We consider therefore, that it would not be feasible to start a monsoon service on the Konkan Coast at present. Nor do we think that there is any compelling need for it at the moment. We would, however, strongly recommend that the Maharashtra Government should arrange for a hydrographic survey of the Konkan ports mentioned above as soon as possible. We further consider that these ports should be visited by the Port Adviser to the Government of India and a Nautical expert (e.g., the Principal Port Officer of Maharashtra Government) during the monsoon and arrangements made for taking observations over a suitable period of time of the wind, tide and other conditions at each port. The question whether or not all weather facilities could and should be provided at any of these ports would depend on the data collected on these lines. In the meantime we consider that the construction, as recommended by us elsewhere in this Report, of alongside berthing facilities at Jaigad,

Vijaydurg and Devgad for the fair weather season should be designed for all weather conditions and wherever possible for a draft up to 15 ft. so as to facilitate the starting of all weather service as soon as other conditions are satisfied.

117. If, then, the steamer services have, for the time being at any rate, to be confined to the fair weather months as at present, the question arises as to how far the service could be improved in pattern and made faster. We consider that by way of improvement of the pattern of service it is in the first place necessary that while the Dabhol and Vengurla lines may continue as at present with a daily service for six days in the week, the Purnagad line should have a tri-weekly service throughout the fair season from the beginning of September to the end of May. The existing steamers which have a service speed of about 11 knots do the trips between Bombay and Dabhol in about 12 hours, between Bombay and Vengurla in about 22 hours, and between Bombay and Purnagad in about 20 hours. This means that for a daily service in the Bombay-Dabhol line, one ship, for a daily service in the Bombay-Vengurla line, two ships and for an alternate day service in the Bombay-Purnagad line one ship, or altogether 4 ships, are the barest minimum necessary. With one ship extra to serve as a standby against break downs, bottom cleaning, boiler repair, etc., of the regular line steamers and another for running specials on days of peak traffic, the services on all the three lines would require for smooth operation a total number of six ships. This is the number of ships we would recommend for the Konkan service for the long term future.

118. When going in for new ships, we could think of faster ships only for the Vengurla and Purnagad Lines, since, for the Dabhol Line, only one ship is in any case required and to replace the existing type of ships with a faster one would only add appreciably to the operating costs and make the service more uneconomical. Even for the Vengurla and the Purnagad lines we could really think of faster ships only if these are of about double the speed of the existing ships (i.e. about 22 knots) as it is only then that the higher operational costs of the faster ships would be compensated to some extent at least by a saving in the number of ships required for the operation of the services. A ship of the same passenger capacity but of double the speed would, however, need nearly eight times the Horse Power of the existing ships and the machinery would be so big and would occupy so much space that the ship would have to be of much bigger dimensions.

119. On turning to the question of the dimensions of the ship, we were advised that these were limited by the narrowness and depth of the approach channels at the ports of Jaigad, Devgad and

Malwan and the very small room that was available to turn the ships round in the anchorages at Jaigad and Malwan. In view of these limitations, the length, breadth and draft of a ship suitable for the Konkan coast would be limited to—

Length	...	223'
Breadth (Moulded)	...	36'
Draft	...	10'

We are advised that within these limitations, it would not be possible to design a ship with a speed of anything like 22 knots and also with a passenger capacity of about 1,000. It is, therefore, quite clear that if the steamers are to continue to call at Jaigad, Devgad and Malwan, as undoubtedly they must, ships of appreciably higher speed than the existing ones are out of the question.

120. We then examined the possibility of introducing a relatively faster service, with a limited number of ports of call, e.g., Harnai, Ratnagiri, Devgad and Vengurla. Such a faster service would need to be *in addition* to the usual service calling at all the ports which is obviously indispensable. Even assuming that some passengers would be willing to pay a somewhat higher fare for a faster service, the addition of an extra unit to the fleet of the Company for running such a faster service would not only be uneconomic in itself, but would also render the existing uneconomic over-all working more uneconomic still.

121. The conclusion which emerges from the preceding discussion is that so long as the port conditions in the Konkan are not substantially improved to permit of the operation of larger vessels than at present, the Konkan passenger service will have to be run with vessels more or less of the type that is in service today. We are, however, conscious of the demand for such improvement as may be possible even within the existing limitations and have, therefore, given this matter careful thought. We are advised that it should be possible to build ships within the existing limitations as to length, breadth and draft with a service speed of 14 to 15 knots but no higher. With such ships it should be possible to provide a slightly faster service, but this would entail appreciably higher expenditure on fuel with hardly any commensurate additional benefit to the passengers.

122. We have in this connection considered whether the new ships should be provided with bunks, benches or seats as recommended by the Deck Passenger Committee. The Unberthed Passengers (Availability of Space) Order, 1953, which was promulgated to

implement the recommendations of the Deck Passenger Committee does not, even in the case of new ships, prescribe the provision of bunks, benches or seats for passengers in the case of voyages of less than 24 hours' duration. It is thus to be inferred that it is not necessary for new ships to be provided with bunks, benches or seats. From enquiries during our tours and from some of the written representations received by us, it appears that there is a public demand that the present mode of travel should be improved but it could not be said with certainty that the provision of benches or seats would be regarded by the public as an improvement on the existing state of affairs.

123. Having regard to the various considerations involved, including, in particular, the fact that the type of new ship now purchased would commit the future, as regards mode of travel, for the next 30 years, we consider that the new ships should be so constructed as to permit of provision of benches for all passengers. For the time being, however, benches need be provided for only a limited proportion of the passengers. The ships need not provide bunks. In the case of passengers who have to travel all night they could be left to find sleeping space on the benches or on the deck itself. If experience shows after a few years that passengers on the whole prefer to be seated on benches rather than on the bare deck, benches should then be provided for all the passengers.

124. We have also considered the question whether separate space should be provided for stacking the heavy baggage of passengers. We feel that passengers would as a rule be unwilling to hand over their heavy or any baggage for storage away from where they sit. They prefer to have it directly under their eye. There are also difficulties, albeit not insurmountable, in sorting out the packages and loading and unloading them at the various intermediate ports of call, particularly because the distances between them are comparatively small. Nevertheless, we consider that there should be separate space provided on the new ships for the baggage of at least those passengers who are willing to avail themselves of this facility. The space should be within sight of the passengers and should be enclosed with expanded metal.

125. On the whole, therefore, we would recommend that the new ships to be ordered for the Konkan coastal service should incorporate the following improvements :—

(1) They should, while being of more or less the same dimensions as the existing ships, be powered by diesel engines instead of steam engines and should have a service speed of about

14 to 15 knots, although normally they would be required to operate at a speed of only 12 knots.

(2) They should be equipped *inter alia* with Radar and Echo Sounders.

(3) They should provide for better ventilation of the passenger accommodation.

(4) They should immediately provide benches to seat 25 per cent. of the passenger capacity and should be so constructed as to enable a greater proportion or all the passengers being provided with seats on benches, if that should prove more popular.

(5) They should provide separate storage space enclosed with expanded metal on each deck where passengers are accommodated for the storage of their heavy baggage.

(6) They should provide the full scale of latrines and wash places as recommended by the Deck Passenger Committee, these as well as the methods of sanitation being of the most modern type.

(7) They should provide for more convenient and a better scale of accommodation for catering facilities to passengers.

We estimate that a steamer of this description will cost about Rs. 40 lakhs (How we have arrived at this estimate is being explained to Government by separate letter).

126. As with the replacement of the existing, by new, ships, the running costs of the services are expected to go up considerably, we thought it advantageous that the existing overage ships should continue in service for so long as they could with reasonable repairs. The existing overage ships and their dates of build and other particulars are given below :—

Name of Ship.		Date of build.	Steam/ Motor.	Service speed.		Passenger capacity.
Hiravati ..	..	.. 1930	Steam ..	12 knots ..		933
Chandrvati	..	.. 1933	„ ..	12 knots ..		902
Ratnagiri	..	.. 1935	„ ..	11·5 knots ..		1071
St. Anthony	..	.. 1936	Motor ..	10 knots ..		558

Of the above-mentioned vessels, the s. s. *Hiravati* is already 30 years old and she has been laid up for the last two years. The Company consider that her hull and machinery have deteriorated

to such an extent that it would not be worth while reconditioning her and putting her back into service. The Technical Officers of the Directorate General of Shipping are also of the same view. In the circumstances we consider that this ship may be allowed to be scrapped.

127. With regard to the remaining three ships it appears from their latest survey reports that the *Chandravati* and the *Ratnagiri* need to be replaced immediately. The *St. Anthony* could with proper repairs serve for a few years more. We would accordingly recommend that orders for two new ships to replace the *Chandravati* and the *Ratnagiri* and for a third ship to bring up the strength of the Company's fleet to a total of six ships, should be placed immediately so that these ships may all arrive within the next 12 months, i.e., by October 1961.

128. Turning to the question of the additional costs of the services after the three new ships arrive, we estimate that these will work out as follows :—

		Replacement of 2 Ships.	New Ship.	Total.	(Rs. in Lakhs.)
1. Salaries and Wages—					
New Ships ..	..	3·50	1·75	5·25	
Old Ships ..	..	3·25	....	3·25	
	Additional Expenditure ..	0·25	1·75	2·00	
2. Fuel—					
New Ships ..	..	3·36	1·68	5·04	
Old Ships ..	..	6·68	....	6·68	
	Additional Expenditure ..(—) 3·32	1·68	(—) 1·64		
3. Repairs—					
New Ships at 2 per cent. ..	..	1·60	0·80	2·40	
Old Ships ..	..	4·00	....	4·00	
	Additional Expenditure .. 2·40	0·80	(—) 1·60		
4. Insurance—					
New Ships at 1 per cent. ..	..	0·80	0·40	1·20	
Old Ships ..	..	0·62	....	0·62	
	Additional Expenditure .. 0·18	0·40	0·58		

(Rs. in lakhs.)

			Replacement of 2 Ships.	New Ship.	Total.
5. Depreciation—					
New Ships at 5 per cent.	..	..	4·00	2·00	6·00
Old Ships (Depreciation is <i>nil</i> since the ships have been completely written off.)					
	Additional Expenditure	..	4·00	2·00	6·00
6. Stores and Water—					
New Ships	..	..	1·10	0·55	1·65
Old Ships ..	..	..	0·98	....	0·98
	Additional Expenditure	..	0·12	0·55	0·67
7. Miscellaneous expenses	..	..	....	0·10	0·10
8. Total 1—7	..	..	(—) 1·17	7·28	6·11
9. Interest at 3 per cent.	..	..	2·40	1·20	3·60
10. Total Additional Expenditure (8+9)	..	..	1·23	8·48	9·71
11. Interest at 4½ per cent.	..	..	3·60	1·80	5·40
12. Total additional expenditure (8+11)	..	..	2·43	9·08	11·51

129. It will be seen that if the new ships are to be purchased by means of loans bearing interest at 4½ % per annum which is the normal rate at which loans are given by Government, the additional expenditure on the service after the three new ships arrive would come to Rs. 11·51 lakhs. If, however, the loans bear interest at only 3 per cent., which is the concessional rate at which Government give loans to shipping companies for the purchase of ships, the additional cost of the service would be only Rs. 9·71 lakhs. We may regard this latter figure as the additional burden to be borne by the Konkan service. In the ordinary course, the whole of the burden should properly be borne by the passengers, which would mean an additional increase in fares of about 16 per cent. For the reasons already stated in Chapter X *supra*, however, we do not think it expedient or fair under present conditions to call upon the passengers to face a further increase in fares of anything like this magnitude, so soon after the increase in fares of 8 per cent. In our opinion, therefore, only a part of the additional burden should be passed on to the travelling public and that the remainder should be borne by Government. In that case the question arises whether the subsidy involved should be paid by the Central Government or by the Maharashtra Government or shared by both. Since constitutionally "shipping" is a Central subject and, besides, the present difficulties of the B. S. N. Co. can to a large extent be traced back to the closure, however necessary and justified in the national interest, of the Panjim traffic by the Central Government, it may be argued that the whole subsidy should be paid by the Central Government. On the other hand,

since Konkan coastal services at present cater solely for the intra-State traffic between Konkan and Bombay, it may equally well be argued that the matter is the exclusive concern of the Government of Maharashtra and that the whole subsidy should be paid by them. We feel that there is much to be said for both these points of view. We would accordingly recommend that the subsidy should be shared by both the Central and the State Governments in equal proportions. The exact arrangement that we would suggest is that—

(i) the Central Government should provide a loan to the Company for the purchase of the new ships repayable in twenty annual instalments, free of interest. This would mean a contribution by the Central Government by way of waiver of interest of Rs. 3·6 lakhs in the first year diminishing at the rate of Rs. 18,000 *per annum* over a period of twenty years. This would work out to an average annual contribution of Rs. 1·89 lakhs;

(ii) the Maharashtra Government should make a like contribution in the shape of a direct subsidy to the Company of Rs. 1·89 lakhs *per annum*.

(iii) the travelling public should bear the balance of Rs. 4·22* lakhs in the shape of a further increase in fares of 7 per cent. This would mean that roughly one half of the additional expenditure would be borne by the Central and the State Governments together and the remaining half by the passengers. With the initial increase in fares of 8 per cent. the total increase in fares that the passengers will be called upon to bear will be about 15 per cent. which in our opinion, will be justified by the improvement in the service that may be expected from the introduction of the three new ships.

These arrangements will be subject to review at the end of five years, or even earlier, should any material change occur in the meantime in the circumstances under which the Konkan shipping services operate.

130. We consider that detailed and exact specifications for the new ships, incorporating the improvements suggested by us, should be drawn up by the Company and after getting them approved

* This figure has been arrived at as follows :—

	Rs. in Lakhs.
Total additional expenditure ...	... 9·71
Less interest at 3 per cent. on the loan ...	... 3·60
Less subsidy by the Maharashtra Government ...	... 6·11
Additional expenditure still remaining uncovered ...	... 4·22

by the Transport Ministry, orders should be placed by them for the new ships immediately so as to ensure their delivery at as early a date as possible but not later than twelve months from now.

131. Since we have proposed that with the introduction of the new ships both the Central and the State Governments should subsidise the service, we think it essential that the Company should agree to the appointment of a Director by each Government on the Board of the Company. The appointment of both these Directors should be made immediately upon a decision being announced by the Central Government on our recommendations regarding an immediate increase in passenger fares of 8 per cent. and the subsidy, etc., arrangements connected with the purchase of new ships for the service. We further consider that simultaneously with the appointment of the two Government Directors the Company should also agree to appoint an Officer selected with the prior approval of the Central Government to the post of General Manager of the Company.

132. As regards the loans to be paid by the Central Government for the purchase of ships, we consider that the terms on which they should be granted should be similar to those governing the grant of loans to shipping companies generally for the purchase of ships for coastal trade, except that the loans in this case should (i) be paid on adequate security to be furnished by the Scindia S. N. Co. Ltd., (ii) be made repayable in twenty equated annual instalments, and (iii) be free of interest.

133. Since the continuance of the Konkan steamer service would involve, as set out above, payment to the Company of substantial Government subsidies, the question arises whether nationalisation of this service outright would not be a better solution. Although, according to the strict wording of our terms of reference, it appeared that it was outside our scope to consider nationalisation, we have sought and obtained elucidation from the Government of India that we are not precluded from considering this line of solution if we thought that that was the proper answer to the problem.

134. We would not have hesitated to recommend nationalisation had it appeared to us that there was any special advantage to be derived thereby. Under the scheme proposed by us, the service would secure virtually all the advantages of nationalisation and at the same time will not have to sacrifice the advantage of the long experience, the well-established shore organisation and the resources in marine and other technical personnel enjoyed by the B. S. N. Co. by virtue of its association with the Scindia S. N. Co. It may also be observed in this connection that Government loans

for the purchase of vessels will be only a benefit that the B. S. N. Co. will enjoy in common with Indian Shipping Companies generally. The subsidy to the Company that we have recommended is based on our assessment of the economics of the service, which in our view would in no way stand to gain by nationalisation. Moreover the subsidy will be really one not to the Company but to the Konkan passengers who would otherwise have to bear the full brunt of an increase in fares adequate to cover the whole additional cost of the service.

135. We feel, therefore, that the subsidy scheme suggested by us should be preferred to nationalisation and should be implemented with immediate effect. We would, however, like to qualify this recommendation to the extent that if, from experience over a reasonable period, our scheme is found not sufficiently conducive to the public interest, Government should be free to re-examine the whole question in all its aspects, not excluding the desirability of nationalisation. In the terms and conditions subject to which loans are granted to the Company for the purchase of the new ships, it should be made clear that in the event of nationalisation of the service, Government would have the right to acquire these ships at their book value, less depreciation.

136. We would now recapitulate the broad impact of our recommendations in this Chapter and in Chapter X *supra* on the various parties affected. The comparatively small loss that will be incurred for so long as the service continues to be operated with the existing ships will be passed on wholly to the travelling public. When the cost of the service goes up appreciably with the arrival of the three new ships, the passengers will bear roughly half the loss and the remaining half will be borne in equal shares by the Maharashtra and the Central Governments. So far as the Company is concerned, it will earn a dividend at the rate of 4½ per cent. subject to dividend tax, on its share capital of Rs. 30 lakhs. It will not in future ~~earn~~ any interest on its borrowed capital from Scindias, which, as on 30th June 1959, stood at Rs. 38 lakhs. Nor will it be reimbursed any part of its past losses which according to its audited accounts had, up to 30th June 1959, accumulated to a sum of roughly Rs. 20 lakhs (or roughly Rs. 10 lakhs if interest on the borrowed capital was left out of account). It will thus be seen that all the parties concerned would ~~be required to contribute their due share~~ for the continuance of the service.

CHAPTER XII.

HARBOUR SERVICES — THEIR FUTURE REGULATION.

137. The passenger services in the Bombay Harbour have a history dating back to the year 1869. It was in that year that Mr. J. A. Shepherd in association with Hajee Hassan Jussab founded what may be called the Second Bombay Steam Navigation Co. This Company started with steam ferries to Dharamtar, Rewas and Uran and gradually extended its operations to Alibag, Revdanda, Janjira, Shriwardhan, Bankot and Dasgaon, later on even up to Goa and Mangalore.

138. This Company was bought up by Messrs. Killick Nixon & Co. in 1906 who floated a new company called the Bombay Steam Navigation Co. Ltd., for running the Harbour and Konkan Passenger services.

139. In 1909 the Indian Co-operative Navigation & Trading Co. Ltd. (I. C. N. & T. Co.) entered the Konkan Coastal Service. This Company too participated in the Bombay Harbour Service.

140. Up to the end of the last war the Bombay Harbour services were being run almost exclusively by the Bombay Steam Navigation Co. Ltd., and the I. C. N. & T. Co. By then both these companies had come under the control of the Scindia Steam Navigation Co. Ltd. At the end of the 2nd world war, i.e., from about the year 1946-47, a number of private individuals and groups entered the harbour services with cheap war-built launches purchased from Disposals and began a cut-throat competition with the Bombay Steam Nav. Co. and the I. C. N. & T. Co.'s services.

141. The ports covered by the harbour services are :—

- Rewas.
- Dharamtar.
- Uran.
- Elephanta.
- Nahava.

Of these the Bombay-Rewas-Dharamtar service forms the most important because the passengers proceeding to and from Ratnagiri and Kolaba districts depend on this service during the monsoon period. The traffic on this service consists mostly of industrial workers from Bombay.

142. The following statements give the figures of passenger traffic on the Bombay-Rewas-Dharamtar service carried by the launches of the Bombay Steam Nav. Co. as compared with that carried by other operators for each year from 1946-47 onwards and the comparative figures of passenger capacity berthed in the harbour services by the Bombay Steam Nav. Co. on the one hand and the private operators on the other in each of the years from 1949-50 onwards :—

*Statement showing the total number of launches plying in
the Bombay Harbour together with their total
carrying capacity.*

Year.	No. of launches owned by the B. S. N. Co.	Total carrying capacity.	No. of launches owned by other companies.	Total carrying capacity.
1949-50	..	8	1,442	5
1950-51	..	7	1,907	9
1951-52	..	4	1,395	8
1952-53	..	3	1,078	8
1953-54	..	3	1,078	10
1954-55	..	3	1,078	8
1955-56	..	3	1,078	10
1956-57	..	1	526	14
1957-58	..	1	526	10
1958-59	..	1	526	15

Latest figures are—

No. of launches	...	21
Total carrying capacity		1204

*Statement showing the total number of passengers carried by the
Bombay Steam Nav. Co. (1953) Private Ltd., and other
launch-owners in the Bombay Harbour.*

Year.	No. of passengers carried by the B. S. N. Co. in the Bombay Harbour.	No. of passengers carried by the B. S. N. Co. to and from Rewas and Dharamtar.	No. of passengers carried by other companies to and from Rewas and Dharamtar.
1946-47	Not available
1947-48	7,39,809
1948-49	7,07,928
1949-50	6,90,786
1950-51	5,92,749
1951-52	4,07,522
1952-53	3,86,935
1953-54	3,72,355
1954-55	4,50,080
1955-56	3,45,489
1956-57	2,86,636
1957-58	2,77,649
1958-59	1,82,443

These figures are instructive. In 1948-49 the Bombay Steam Nav. Co. had 8 launches in the harbour service and they used to serve all the harbour ports. Owing to extremely unfair competition from the other launch-owners, however, they have been obliged to reduce the number of launches to one and also to limit their service to Dharamtar and Rewas.

143. Apart from Rewas and Dharamtar, the only other harbour port where there is at present considerable passenger traffic is Uran. This port was closed for the B. S. N. Co.'s launches from September 1956. At present private launch owners run their launches between Uran and Bombay during the fair season, i.e., from September to May. During our visit to Uran, it was represented by the local public that the average traffic between Bombay and Uran would be about 500 to 600 per day during the fair season or roughly about 1,50,000 a year (9 months). The passenger traffic carried by the Bombay Steam Nav. Co. in the Bombay-Uran services during the years prior to closure by them of these services was as under :—

1953-54	..	..	55,522
1954-55	..	..	62,915
1955-56	..	..	52,809

The people of Mora demanded a service during the monsoon also and in this connection they stressed the following points :—

(1) The facility of a ferry service to Uran had been in existence for 70 years past. Mora was the central port from which people could easily go to the villages in the interior, a hinterland of about 69 villages. Distance from Bombay is 7 miles.

(2) Journey by road (State Transport) is long—68 miles—and the average agricultural worker has to spend something like Rs. 5/- on the round trip, which is probably a trifle too much for him. Besides he has to cover 3 stages — Bombay (Victoria Terminus) to Mumbra by rail, then by State Transport omnibus to Panvel and then to Mora. These connections he may not get easily if the omnibuses are full.

144. So far as the remaining harbour ports of Elephanta and Nahava are concerned, the Bombay Steam Nav. Co. say that there is no adequate traffic at present for any of the operators to maintain regular services to these ports and that therefore from September, 1956 there have been no regular service to these ports. However, there is some excursionist traffic to Elephanta on Sundays and, as the fare for these excursion trips is high, all the private operators in the Harbour ply their launches to Elephanta on Sundays and holidays cancelling their service to Dharamtar, Rewas and Uran on these days.

145. So far as harbour services are concerned, the case for the Bombay Steam Nav. Co. may be stated as under :—

(1) They consider that their present harbour services to Rewas and Dharamtar and their Konkan services are so inter-connected and inter-dependent that the one cannot do without the other.

This is because :

(a) Rewas and Dharamtar are transit ports for passengers of Ratnagiri and Kolaba districts during the monsoon months;

(b) During the monsoon only one of their Konkan steamers can be employed on this service.

(2) Because of unfair competition from private launch owners even their existing curtailed harbour services are resulting in heavy losses.

The losses as indicated by the Company were as follows :—

(In lakhs Rs.)

			Total Earning.	Total Expenditure.	Loss.
1951-52	..	..	4·38	8·31	3·93
1952-53	..	..	4·37	5·67	1·30
1953-54	..	..	3·79	5·98	2·19
1954-55	..	..	5·15	7·75	2·60
1955-56	..	..	3·72	4·58	0·86
1956-57	..	..	3·23	3·78	0·55
1957-58	..	..	3·26	3·52	0·26
1958-59	..	..	2·11	3·94	1·83

The losses as worked out by us, however, were :

	Rs.
1956-57	.. .. 81,921
1957-58	.. .. 56,571
1958-59	.. .. 2,17,824

The figures of losses as worked out by us differ from those as worked out by the Company because in the former the Head Office overheads have been allocated to the Harbour Services in proportion to the operating expenses which the Company had not done.

(3) In order to put the harbour services on a sound and economic footing, the Company want—

(a) an increase in fares. The existing fares according to the Company's schedule are :—

Port.	1st Class.		2nd Class.		Upper Class.	Lower Class.
	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
Rewas	3·38	1·69	1·13
Dharamtar	4·38	2·19	1·50

(b) both the Company's and the private launch owners' services should operate under similar conditions and according to fixed time schedules. The Company's time schedules are :—

Dharamtar Line (Six Days in the week).

Depart Bombay	..	..	7·00 a.m.	Depart Dharamtar	..	10-15 a.m.
Depart Rewas	..	..	8·45 a.m.	Depart Rewas	..	12-00 noon.
Arrive Dharamtar	..	..	10·00 a.m.	Arrive Bombay	..	1·30 p.m.

Rewas Afternoon Service (Six Days in the week)

Depart Bombay	..	..	2·30 p.m.	Depart Rewas	..	4-15 p.m.
Arrive Rewas	..	..	4·00 p.m.	Arrive Bombay	..	5·45 p.m.

According to the Company, the private launch owners sail when they like and charge what fare they like and observe no fixed schedule regarding either. The private operators also withdraw their launches from regular service on Sundays and holidays to be employed on specially lucrative trips to Elephanta for excursion parties.

146. Besides the Bombay Steam Nav. Co., the other operators participating in the Bombay-Rewas-Dharamtar services are the following :—

Name of Owners.	No. of launches.	Total Passenger carrying capacity.
Shri Krishna Motor Launch service	.. 11	574
Narekar Steam-ship Co.	.. 3	318
Mandva Ferries Private Ltd.	.. 1	136
Markar	.. 1	30

Private operators operating the remaining services are the following :—

E. H. Marine Transport Co.	.. 1	52
Harbour Launch Services	.. 2	99

None of these operators replied to our questionnaire nor in spite of our best efforts to get into touch with them, have they come forward to give oral evidence before us.

147. From the replies received to our questionnaire and from the discussion we had during our tours of the harbour ports with the local people, we gathered that the demands of the travelling public are as follows :—

(1) the grounds urged by the Bombay Steam Nav. Co., for an increase in fares in the Konkan Coastal Services do not hold good in the case of the harbour services. The traffic in the harbour services has shown no decline. The losses sustained by the Bombay Steam Nav. Co. in the harbour services are not due to inadequacy of fares but are due to unfair competition from other launch operators. Increase in fares would not solve the problem and need not be considered.

(2) In order to meet competition from other launch owners the Bombay Steam Nav. Co. should introduce better and speedier launches than their present launch, *Shobhana*.

(3) Greater Government control over the harbour services is desirable but this should be exercised with a view to providing better, more regular and safer transport to the public and not to shut out fair competition between Bombay Steam Nav. Co., and other launch operators. In fact, conditions in which fair competition is possible should be created.

(4) There should be services during the monsoon not only to Rewas and Dharamtar but also to Uran.

148. Under a notification issued by the Central Government under the Inland Steam Vessels Act, 1917, the port of Rewas falls outside the Bombay Harbour limits during the foul weather season from the 26th May to the 31st August of each year. Vessels plying to Rewas during the monsoon should thus comply not with the provisions of the Inland Steam Vessels Act but with the more rigorous provisions of the Merchant Shipping Act regarding seaworthiness, life-saving appliances, certificated officers etc. This explains why none of the launches ply in the harbour, services during the monsoon except those of the B. S. N. Co.

149. It is clear that, as things stand, the dice are loaded heavily in favour of the small launch owners who ply only during the fair weather and walk away with the cream of the traffic leaving the old established and law-abiding concern, the B. S. N. Co., to pull on as best it can all the year round with increasing losses. The sooner this state of affairs is ended, the better and the problem is how to ensure that all vessels plying within the harbour limits ply under more or less similar conditions thus ruling out unfair competition which hit

hard the only regular, well-run and well-organised service. Originally, the Bombay Steam Navigation Co. suggested that they should be given a monopoly in the Bombay/Rewas run, but this was naturally not found feasible.

150. Two alternatives were considered—

(a) that the Bombay Steam should serve all the harbour ports inclusive of Rewas and the other concerns all the ports exclusive of Rewas.

(b) that it should be laid down that Rewas falls outside the Bombay Harbour limits, so that vessels plying between Bombay and Rewas would be required to possess regular sea-going certificates.

Both the alternatives had to be ruled out because they would both in effect give a monopoly of the Bombay-Rewas service to the Bombay Steam Nav. Co., and throw the other operators in that service out of business. Suggestion (b) had to be ruled out for the additional reason that if Rewas was declared as falling outside the Bombay Harbour limits, even the Bombay Steam Nav. Co.'s launch *Shobhana* which also has only a certificate of Survey under the Inland Vessels Act would be prevented from going to Rewas.

151. The late Bombay Government thereupon thought of allowing preferential berthing facilities to the Bombay Steam Nav. Co., at Rewas and Dharamtar by framing suitable bye-laws for the purpose under section 9 of the Bombay Landing and Wharfage Fees Fund Act. The Government of India, however, advised that the proposed bye-laws would be *ultra vires* of section 9 of the Bombay Landing and Wharfage Fees Fund Act as the main object of that Act was to provide for the levy of fees for the use of landing places and that any bye-laws, framed under section 9 of that Act, must have some co-relation to this basic object. The Government of India, therefore, considered that the object in view might be achieved by the State Government making appropriate rules under section 6 of the Indian Ports Act, 1908. This latter course was also not found feasible inasmuch as, while rules under section 6(1) of the Act can be issued by the State Government, in regard to minor ports, they can be issued in regard to the port of Bombay which is a major port, only by the Central Government. Simultaneous action in this regard by both the State Government and the Central Government was thus necessary. We have had the matter further examined by the Maharashtra Government's Legal Department. As a result we are advised that rules may be made by the State Government in relation to minor ports under clause (a) of sub-section (1) of section 6 of the Indian Ports Act, 1908, for regulating the time and hours, at and during which, and the manner and conditions, in and on which, vessels generally, or vessels of any class defined in the rules, may enter,

leave or be moved in any port subject to the said Act. Clause (k) of that section empowers the State Government in relation to minor ports to make rules for licensing passenger and other boats plying, whether for hire or not * * * * * in the case of vessels plying for hire, for the rates of hire to be charged and the conditions under which such vessels may ply for hire etc. Consequently, under these provisions rules can be framed for licensing of launches prescribing—

- (i) a schedule of timings of arrival and departure of the launches ; and
- (ii) a schedule of standard fares which should not be departed from in any case.

Section 6 itself, however, does not provide for any penalty except in case of rules made under clause (p) of sub-section (1) of that section. Nevertheless, under section 54 *ibid*, if any person disobeys any rule or order, which Government has made in pursuance of the Act and for the punishment of disobedience to which express provision has not been made elsewhere in the Act, he shall be punishable for every such offence with fine which may extend to one hundred rupees. Consequently, sanction to enforce the rules made under section 6(1) (a) and (k) exists in section 54. No fresh legislation for the purpose is, therefore, necessary.

152. We accordingly recommend that the Maharashtra Government should promulgate rules under section 6(1)(a) of the Indian Ports Act as in the draft at Appendix XI, applicable to the minor ports of Rewas and Dharamtar and that the Government of India should promulgate similar rules applicable to the major port of Bombay. In view of the urgency of the matter we have requested the Maharashtra Government so far as they are concerned, to promulgate these rules without delay and that, we understand, is being done.

153. As it is only the B. S. N. Co. that is in a position to provide service during the monsoon, it is just and proper to accord it fair treatment also during the fair weather months and prevent other operators from profiting by violation of rules. We would accordingly recommend that it should be stipulated that the B. S. N. launch should leave Bombay for Rewas/Dharamtar at 7 O'clock every morning and no other launch should leave before that. Thereafter there may be services by other launch operators, every hour or two. Similarly in the afternoon the B. S. N. Launch should leave Bombay for Rewas at 2 p.m. there being no service on this line by other operators between 12 noon and 2 P.M. The other operators may be allowed to ply, say from 3 P.M. onwards.

154. On the understanding that the harbour services will be regulated as recommended above, we consider that the Bombay Steam should continue to run the harbour services all the year round as an integral part of their Konkan coastal services. Their monsoon services should, however, in future cover not only Rewas and Dharamtar as at present but also Uran (Mora).

155. We estimate that the total earnings required by the B.S.N. Co. to make its harbour services economic is about Rs. 4 lakhs a year. We also estimate that in order to earn this amount the 'Company should carry about 3·5 lakhs passengers. The passenger capacity berthed by the Company during the fair season alone is estimated to work out to 4·42 lakhs. If our proposals for the regulation of the services, to which we attach the greatest possible importance, are implemented, we consider that the Company should be in a position to secure adequate traffic for itself to make its harbour services not only to pay their way but also to earn a small margin of profit. This should be particularly so in view of the fact that the fares in the harbour services have been increased with effect from the 1st October 1959 from 0·88 nP. to 0·94 nP. (i.e. by 1 anna) between Bombay and Rewas, and from Rs. 1·13 nP. to Rs. 1·25 nP. between Bombay and Dharamtar. We do not, therefore, consider that any further increase in fares is necessary so far as the harbour services are concerned.

156. We would also recommend that, for reasons similar to those given by us in the following Chapter in regard to the administration of Konkan ports, the administration of the harbour services should as soon as possible be taken over by the Maharashtra Government, from the Collector of Central Excise, Bombay, whose hands are full with his own work.

CHAPTER XIII.

PORTS AND PORT FACILITIES.

157. The B. S. N. Co. have brought to our notice certain difficulties and complaints in regard to the Konkan Ports and these have been mentioned to us also by several members of the public during our investigations. The difficulties and complaints relate to—

- (1) the siltation of ports and entrance bars;
- (2) the lack of hydrographic survey of the Konkan ports and the absence of up-to-date navigational charts for the Konkan Coast;
- (3) absence of berthing facilities for ships at ports;
- (4) the need for more lighthouses and other navigational aids at the various ports;
- (5) the need for better facilities ashore for passengers at the various ports, such as waiting sheds, drinking water, etc.;
- (6) the need for proper communication facilities between different ports and also between ports and ships.

These are all matters falling under Governmental responsibility as distinct from the Company's. We have to the extent possible within the limited time at our disposal, tried to study these problems by personal inspection of the various ports and through discussion and correspondence with the various authorities concerned including, in particular, the officers concerned of the Ministry of Transport, the Principal Officer, Mercantile Marine Department, Bombay, the Principal Port Officer of the late Bombay Government, the Collector of Central Excise, Bombay, and the Post Master General, Bombay. We have besides studied the Reports of the various previous enquiries which have a bearing on these subjects in relation to the Konkan ports.*

158. We cannot help feeling that in all these matters the Konkan ports had a raw deal till the end of British rule. There has been some re-awakening in this respect after Independence, but we are not sure if even now there is adequate appreciation by the authorities concerned of the vital role that these ports play and are bound to play in the life of the people of the region, their potential importance at a time of emergency and the consequent need for

*(1) Nanjundiah Report.
 (2) Report of the Port Technical Committee (Armstrong Report).
 (3) The report of the two man Committee relating to the hydrographic surveys of minor ports.
 (4) Report on the dredging of minor ports by the Dredging Sub-Committee of the National Harbour Board.
 (5) Report on the Minor Ports of India by I. G. Chacko.
 (6) Report of the Bombay Minor Ports Committee, 1939.

improving and maintaining them in tip top condition. What we say here of the ports applies equally to the numerous creeks in the Konkan region. These creeks constitute a great national asset. They form an invaluable means of communication interpenetrating the length and breadth of the area. That they should have been totally neglected and were allowed gradually to go into dis-use is a sad commentary on the general lack of realisation of their importance. In regard to siltation of ports and creeks, the past neglect by Government has been so complete that at present, so far as we could ascertain, there are no data even to judge the extent of damage already done. After the appointment of this Committee and largely at our suggestion, the Government of Maharashtra have, we are told, set on foot the requisite surveys and investigations for collecting the necessary data, but it will take time for these surveys and investigations to produce results.

159. Our specific findings and recommendations on the various complaints referred to above are set out below :—

(1) *Siltation of ports and entrance bars.*—Siltation has occurred and has been on the increase almost at all the ports on the Konkan coast and their entrance bars. The problem has become particularly acute at Rewas, Dharamtar, Dabhol, Jaigad, Ratnagiri and Malwan. It requires to be tackled first by making the necessary hydrographic surveys for ascertaining the extent of siltation that has occurred at the various places and then by dredging the entrance bars and inner harbours of the ports to restore them to their original depths. In certain cases the dredging has to go even somewhat farther in order to make the ports more convenient and safer for navigation. At some ports in particular, it may be necessary to follow up the initial dredging by maintenance dredging at intervals.

Both hydrographic surveys and dredging call for highly specialised craft like survey vessels and dredgers and trained personnel to man them. While the hydrographic surveys of the coast line including the entrance bars to the ports are the responsibility of the Hydrographic Survey Wing of the Navy, those of the inner harbours of ports are the responsibility of the State Government. Similarly, the dredging of the entrance bars to ports need sea-going dredgers involving large capital expenditure, while the dredging within the inner harbours can be done with small dredgers which need not be of the sea-going type.

We understand that the late Government of Bombay, finding it necessary to have their own surveys for framing development projects for the minor ports in the State, had started a Marine Division with a Survey Sub-Division in 1954 and that the latter Sub-Division has already carried out hydrographic surveys and collected

data regarding siltation in respect of certain Konkan ports, e.g. Ratnagiri. We consider that this Sub-Division should carry out the surveys of the remaining ports also within as short a time as possible.

We also understand that the Government of India have decided to set up a Dredger Pool under the Ministry of Transport for dredging the sea approaches to the minor ports and that this pool is expected to start working by the end of 1961. It appears, besides, that the late Bombay Government had approached the Government of India with a proposal for the purchase of two grab dredgers for carrying out the internal dredging of the minor ports of the State, and that one of these dredgers was meant for work in the Konkan Ports. This one dredger by itself would not, however, be able to cope with the whole work in the Konkan ports and that therefore the Bombay Government intend to go in for a second dredger for the purpose. We are informed that with these two dredgers, it would be possible to commence systematic dredging of the Konkan Ports. We consider this a step in the right direction and would lend our full support to the State Government's proposal for the purchase of a second dredger. We would also recommend that when the Central Dredger Pool is set up as it is expected to be in 1961 it should treat the dredging of the approach channels to the Konkan ports as deserving of high priority. We consider dredging necessary at the following ports in particular and provision should be made for it in the Third Five-Year Plan :—

Mora, Rewas, Deogad, Vijaydurg, Vengurla, Jaigad, Malwan.

(2) *Hydrographic survey of the Konkan Coast and the preparation of up-to-date navigational charts.* The B.S.N. Co. say that the navigational charts available in respect of the Konkan ports are 60 years old and that they have no bearing whatsoever on the present condition of the ports. The conduct of the necessary hydrographic surveys and the revision of the navigational charts so as to bring them up-to-date are, we understand, the responsibility of the Chief Hydrographer of the Navy. It appears that due to shortage of trained personnel and of survey ships, the Navy would in the ordinary course take some 20 years to bring all Indian charts up-to-date. We are told that in order to speed up this work, the Central Government intend to set up a Survey Launch Pool under the Ministry of Transport shortly. We also understand that hydrographic surveys of minor ports are fixed yearly by a Sub-Committee of the National Harbour Board, on which, among others, the Government of Maharashtra are also represented. As the Konkan ports handle a large volume of passenger traffic, we consider that the hydrographic surveys of these ports and the publication of up-to-date navigational charts in respect of them should be undertaken and completed as a top priority programme. In order to ensure this, we have already advised the Maharashtra Government to have the matter

brought up by their representative on the Hydrographic Survey Sub-Committee of the National Harbour Board at each successive future meeting of that Sub-Committee. In our opinion the ports requiring immediate survey are Janjira, Dabhol, Jaygad, Vijaydurg and Malwan. The hydrographic surveys of these ports should, we recommend, in agreement with the B. S. N. Co., be taken in the following order of priority :—

(i) *Malwan*.—At present the Co.'s larger vessels, S. S. *Champavati* and S. S. *Rohidas* are not able to call at this port due to the small area of the turning basin there. If this port is thoroughly surveyed and if a Mooring Buoy is provided north of Padmagarh Fort Ruins at a distance of 600 to 700 ft. it would help these larger steamers to turn in the channel without using engines.

(ii) *Dabhol*.—This port is considerably silted both at the Bar and at the approaches. It should be surveyed and a lighted buoy provided at the extreme edge of the Bar opposite the Yeldoor Light.

(iii) *Jaygad*.—This port is also silted both at the Bar and at the approaches, and moreover the Mora Bar has extended Westward. It should be carefully surveyed and a lighted buoy provided at the extreme edge of the Bar. Furthermore there should be a transit light at Tousal Point for the deep channel mark and a similar light placed at the Jetty for the safe entry of ships into the port.

(iv) *Vijaydurg*.—This port has also been badly silted and it has now been observed that only 9 ft. of water has been found at the anchorage at low water instead of 14 ft. according to the charts. This port also requires dredging.

(v) *Janjira*.—Usually after the monsoon, the Company's ships call at Rajapuri instead of at Khora, where also the anchorage is silted. At Rajapuri, a depth of only 9 ft. is found at low tide instead of 12 ft. as given in the chart.

We recommend that in addition to hydrographic surveys and provision of lights, etc. as suggested above, larger plan charts should be provided in respect of small ports on the Konkan Coast such as—Shriwardhan, Harnai, Palshet, Boria, Tivri, Ranpar, Purnagad and Achra. Tide tables for the ports of Dabhol, Jaygad and Malwan should also be prepared.

(3) *Absence of berthing facilities for ships at ports*.—The most serious drawback of the Konkan ports is the absence, excepting at Dabhol, of alongside berthing facilities for ships. Consequently ships have to lie at anchor at a considerable distance from shore and the embarkation and disembarkation of passengers have to be arranged through lighters. This causes hardship and inconvenience to the passengers and also exposes them to some risk,

particularly during bad weather. We realise that it is difficult to provide alongside berthing facilities at ports which are mere open roadsteads, but we consider that such facilities should be provided at those ports that handle a large volume of passenger traffic. We would therefore recommend that the construction of passenger coastal berths with dolphins and gangways should be taken up at the ports of Devgad, Vijaydurg and Jaygad in the Third Five-Year Plan.

(4) *Provision of lighthouses and other navigational aids at the various ports.*—The B. S. N. Co. have complained that navigational aids, such as guiding and boarding lights, anchorage buoys, etc., provided at the Konkan ports are utterly inadequate. They say that at some of the ports navigational aids are provided by the Company themselves and that this is not only an unsatisfactory arrangement but also adds to their expenses. We have gone into this matter in some detail in consultation with the Ministry of Transport, the Director General of Lighthouses and Lightships, the O. S. D. (Minor Ports) of the Ministry of Transport and the late Bombay (now the Maharashtra) Government. We understand that until recently the provision of navigational aids at minor ports was regarded as being the responsibility of State Governments. In view, however, of the fact that under the Constitution the subject of "Lighthouses and Lightships etc." is defined as a Central subject, it appears that the State Government have recently asked the Centre to take over the entire responsibility for the construction and maintenance of lighthouses and other aids to navigation in the minor ports in future.

We understand that the constitutional position about Lighthouses and Lightships in minor ports, etc. has been under examination by the Central Government for some time past. It appears that certain projects for the proper lighting of the Konkan ports, although included in the Five-Year Plan, could not be taken up pending a decision on this question. This we consider unfortunate and we would therefore strongly recommend that whatever doubts there may be regarding the constitutional position should be cleared with the least possible delay and that the lighthouse, etc. projects envisaged for the Konkan ports should be taken up and completed without further loss of time. We would in particular recommend that—

(i) the lights now being maintained by the B. S. N. Co., should be taken over by Government immediately;

(ii) the Perch Rock at Malwan should be permanently marked by a buoy and it should be so founded as to ensure that the buoy will not shift its position under any conditions of tide, weather, etc.

(iii) we further consider that a light should be provided at the Korlai Fort to enable the B. S. N. Co.'s ships to pass through fishing stakes safely.

(5) *Facilities ashore for passengers at the various ports.*—Both the B. S. N. Co. and the public have brought to our notice various deficiencies in the facilities available ashore for passengers at the ports, such as waiting sheds, water supply, latrines, lighting, etc. We noticed during our tours that the landing jetties at some of the ports, e.g. Ratnagiri, Janjira, etc. required improvement. We also noticed that in many places waiting sheds are not provided or, where they are provided, are inadequately equipped.

We understand that, in the First and Second Five-Year Plans, several items of improvement at the various Konkan ports were included and that some have been completed and others are under construction. Besides completing these works as quickly as possible we would recommend that the following further works should also be taken up in the Third Five-Year Plan :—

Dabhol	... Provision of water supply.
Deogad	... Provision of water supply.
Vijayadurg	... (i) Provision of water supply. ... (ii) Construction of a passenger shed with canteen, and W.Cs.
Vengurla	... Provision of water supply.
Janjira	... (i) Electrification of the Khora Wharf. ... (ii) Provision of water supply at Khora Wharf. ... (iii) Construction of a passenger shed at Khora.
Jaigad	... Provision of water supply.
Malwan	... Provision of water supply.
Achra	... Construction of passenger shed with W.Cs.

(6) *Communication facilities between ports and between ports and ships.*—The Bombay Steam Nav. Co. have complained that having regard to the magnitude of the passenger traffic constantly moving between Bombay and the different Konkan ports the facilities available for intercommunication between different ports on the Konkan coast as also between Bombay, those ports and with the ships are utterly inadequate. In view of this difficulty the Company say that they are not in a position to give timely advice to ports about cancellation of sailings, late arrival of ships, the availability of space for booking

passengers at intermediate ports, etc., and that this in turn puts the passengers to much avoidable hardship and trouble. Both the Co. and the Bombay State Road Transport Corporation agree that lack of proper communication facilities between ports is a serious obstacle in the matter of providing a properly co-ordinated, efficient and economic system of road transport and steamer services for the Konkan passengers.

At our request, the Company have furnished us with a statement (reproduced at Appendix XII) showing the telegraph and trunk telephone facilities now available at the various ports. The Company say that they would prefer to have trunk telephone facilities at all the ports but that they would for the present press for immediate installation of such facilities particularly at Janjira, Harnai, Dabhol, Jaigad, Vijaydurg and Devgad.

The whole matter was discussed with the P. M. G., Bombay. He said that trunk telephone facilities would be established at Janjira in about 4 months and at Jaigad within about a year, but that as regards the other ports no such proposal was under consideration. He also suggested that in view of the delay involved in putting through messages over the trunk telephone, the proper solution of the problem is the provision of high frequency wireless stations for the exclusive use of the Company at the various ports similar to those that already exist at Rewas and Ratnagiri. Such stations would involve a capital outlay of Rs. 20,000 per set plus a recurring cost of Rs. 2,000 per station. In addition, for communication between the Bombay Steam Navigation Co.'s office and the State Transport Depot at ports where the distances between the two are considerable, the State Transport Corporation could have their own private telephone connections installed at a capital cost of Rs. 1,000 per mile and a rental of about Rs. 3,000 per annum to be guaranteed for 10 years. The B. S. N. Co. and the State Transport Corporation have been asked to draw up an integrated scheme on the lines suggested by the P. M. G. with a view to its being sponsored by the Bombay Government to the Central Government and the Director General, Posts and Telegraphs for acceptance.

(7) *Future administration of Konkan ports.*—The general air of neglect that the Konkan Ports present not only in the matter of passenger facilities but in various other respects has led us to enquire into the reasons for the same. We understand that these ports although constitutionally they are the responsibility of the State Government, are being administered on behalf of the State Government by the Collector of Central Excise, Bombay. The origins of this arrangement are partly historical and partly the need for economy in administrative expenditure. However adequate

and satisfactory this arrangement may have been in the past when these ports were perhaps considered of little consequence to the country and to the people, we feel that most of the present ills could be traced to it, and that the time has come to end it. The Collector of Central Excise could, in the nature of things, do little beyond carrying on the routine administration of the ports and seeing that whatever port installations that were there, were maintained in a reasonably satisfactory state of repair. With the changed conditions after Independence these ports have greatly gained in importance and call for an all-out effort for improvement. The duties and responsibilities of the Collector of Customs in connection with the work of his own Department have also vastly increased as compared with the past. Realising these changes in the situation we understand that the Bombay Government have already created an independent Port Organisation with a Principal Port Officer and Engineer at its head to take over from the Collector of Customs direct responsibility for the administration of the ports. It appears that the State Government have also chalked out a phased programme for the purpose. It appears however that they are faced with certain difficulties in getting together and organising the necessary administrative and technical personnel. We consider it important that they should resolve these difficulties as quickly as possible and take over direct administration of all the Konkan ports within as short a time as possible.



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CHAPTER XIV.

MISCELLANEOUS.

160. We have received from the members of the public as well as from the company various complaints and suggestions, in regard to matters not already covered in the earlier chapters of this Report. We have gone into each one of these carefully in consultation with the B. S. N. Company. The more important of them are briefly dealt with below :—

(1) *Irregularity in the steamer services, cancellation of sailings, etc.*—The most serious complaint that we have come across about the steamer services and in fact the one that most affects the popularity of the services is frequent cancellation of steamer sailings without notice and unpunctuality in the arrival and departure of steamers. In order to keep down costs and fares, the Company have to operate the services with the barest minimum number of ships in each line. This means very tight time schedules, allowing only the barest minimum of time particularly at the terminal ports for the turn round of the ships. At terminal ports, particularly Bombay, the ships on their arrival have to disembark passengers, be swept and cleaned, provisioned, to take water for the round voyage and numerous other details have to be seen to before they are again ready to embark passengers and set sail. Unless all these are done quickly like clock work, which of course is not always possible, the ships' departure is delayed. Similarly, ships may be delayed on the voyage by bad weather, mechanical break-downs, unfavourable tidal conditions and numerous other factors beyond the control of the Company. If a ship's sailing is delayed for some reason or other at any port, the delay is likely to be reflected not only at all the remaining ports on the same voyage but also on subsequent voyages throughout the remainder of the week. No material improvement in these respects can be looked for until more ships, and better and faster ships are put in the service and the ports dredged and improved so as to enable them to receive ships at all states of the tide. In order to judge the present magnitude of this problem, we called for particulars from the Company of the number of cases of cancellation of sailings and of delays of over one hour that actually occurred during any particular year. From the

information furnished by the Company we found that in 1958-59 there were only two cancellations of sailings and that in the same year there were only the following cases of delay in arrivals and departures at important ports :—

Port.	No. of trips.	No. of cases of delay			Total.
		Over 1 hr.	Over 2 hrs.	Over 3 hrs.	
<i>Dabhol Line.</i>					
Bombay ..	1,042	46	24	4	74
Shriwardhan ..	1,042	63	28	16	107
Dabhol ..	1,042	89	28	22	139
<i>Vengurla Line.</i>					
Bombay ..	810	71	50	49	139
Jaigad ..	810	59	23	21	103
Ratnagiri ..	810	76	35	32	143
Vijaydurg ..	810	81	29	33	143
Vengurla ..	810	58	43	34	135

It will be seen that the cases of cancellation and delay are not so numerous as to cause alarm. With better care and diligence on the part of the Company and their staff it may be possible to bring down cancellations and delays to some extent. In any case, we consider that the Company should as far as possible give timely warning to passengers of likely cancellations and delays which will be possible when telephone connections recommended elsewhere in this report have been installed.

(2) *Shut out passengers.*—We understand that occasionally passengers at intermediate ports are shut out for want of space in the ships. It has been suggested that in order to avoid this certain quotas of passenger space should be reserved for intermediate ports. The Company say that this is already being done in the case of ports where there are no facilities for passengers to stay till the next day but that to extend the arrangement to other ports would result in a certain number of passengers being shut out at important ports like Malwan, Deogad etc. and not enough passengers forthcoming at the other ports to fill up the vacant space. The Company say that the magnitude of this problem is not great, as, e.g., in 1959 there were 521 sailings on various lines and only on 43 occasions had passengers to be shut out at intermediate ports. They also point out that the problem would be still further reduced with the provision of better communication facilities between the ports. We feel that we have to leave the matter there.

(3) *Carriage of passengers beyond the certified capacity of the ships.*—It is alleged that in periods of peak traffic, the Company carry passengers much beyond the certified capacity of the ships. This is a grave offence under the Merchant Shipping Act and in view of the deterrent penalty provided in that Act, we could hardly believe that the Company would indulge in such a practice. We have, however, had a surprise test check carried out on one of the ships by the Collector of Central Excise on a day of peak traffic. The result we found completely falsified the allegation.

(4) *Ticketless travel.*—There appears to be a widespread feeling among the travelling public that ticketless travel is rampant in the Konkan services. We have therefore looked into the matter with some care in consultation with the Company and have also questioned witnesses on this point during their oral examination. The Company say that in order to prevent ticketless travel they have employed Line Inspectors who continually move on various lines and carry out test checks on board the steamers. Apart from this, they also occasionally send out special officers and checking staff from the Head Office to carry out surprise checks of ticketless travel. Furthermore, the Internal Audit Department of the Scindia Steam Navigation Co. also send out their officers to make surprise checks at the Ferry Wharf at Bombay as well as on board the steamers. As a result of all these, the Company say, and we are inclined to agree with them, that the extent of ticketless travel on the Konkan steamers is not serious. We are satisfied that the Company are sufficiently vigilant in the matter.

(5) *Mechanisation of passenger lighters.*—In view of the long time taken in the embarkation and disembarkation of passengers at intermediate ports by means of "Padaos" propelled by oars, it has been suggested, that these may be mechanised or towed by power-driven craft. The Company say that mechanisation of the craft would mean a capital outlay of about Rs. 60,000 to 70,000 per boat. Apart from this, mechanised boats would require qualified engine drivers and other personnel. Moreover, there are no facilities at any of the Konkan ports for the maintenance of the engines in a good state of repair. In view of these difficulties and the considerable additional capital and recurring costs involved, the Company consider that mechanisation of the craft is not practicable. We are constrained to agree with them. We have, however, recommended elsewhere in this Report, that the more important ports should be provided with alongside landing facilities for passengers. We would further suggest that at other ports the question of providing suitable tugs or launches for the towage of the "Padaos" may be considered. We would particularly recommend this for the port of Ratnagiri.

(6) *Provision of better amenities on board ships for passengers.*—We have received numerous complaints from the passengers about over-crowding of the decks, unsatisfactory seating arrangements,

inadequacy of wash places, latrines etc. All the above matters were the subject of an enquiry by the Deck Passenger Committee in 1950. That Committee taking all the relevant factors into account made various recommendations for the improvement of deck travel, such as provision of bunks, increased space allowance for passengers, provision of more wash places, latrines, etc. and better catering and other amenities. We understand that all these recommendations have been accepted by Government and rules and regulations promulgated and other steps taken to implement them. In pursuance of that Committee's recommendation, a Deck Passenger Welfare Committee has also been set up at Bombay to look after the welfare of unberthed passengers. In view of all these, we do not feel called upon to go into the matter once again. All that we would, however, recommend is that continuous vigilance should be exercised by the authorities concerned as well as the Deck Passenger Welfare Committee at Bombay to ensure that so far as the Konkan services are concerned the recommendations of the Deck Passenger Committee are strictly enforced and implemented.

(7) *Revival of the Creek Services.*—There is a feeling among the Konkan people that the launch services previously maintained by the B. S. N. Co. in the Jaigad, Jaitapur and Vijaydurg creeks, which they have since discontinued, should be revived. While we agree that this is desirable and would promote traffic for the Konkan steamers, the question could be considered only after the creeks have been properly surveyed and desilted by dredging. We recommend that the State Government should arrange to get these done.

(8) *Co-ordination between Steamer Services and State Transport Services.*—There is a widespread public demand for better co-ordination between steamer services and State Transport omnibus services. We have ascertained from the S. T. authorities that all the Konkan ports served by steamers are also being served by State Transport services, with the exception of the ports of Janjira, Shriwardhan, Palshet, Boria, Ranpar and Achra. State Transport services could not operate at these latter ports at present for want of proper roads. It appears that the traffic also does not justify the running of State Transport services to these ports. As recommended by us elsewhere, we consider that suitable road connections to these ports should be provided by the State Government as soon as possible and State Transport services extended thereupon to these ports.

In the meantime, it is essential that the steamer services and State Transport omnibus services should be so timed that the steamer passengers as soon as they land at a port have a State Transport bus ready to take them to their interior destinations and vice versa. Such co-ordination is at present rendered extremely difficult owing to the absence of proper communication facilities.

between the various Konkan ports on account of which the Company is unable to give timely advice to the State Transport authorities of delays, etc. to the steamers. As recommended by us elsewhere, we deem it of the utmost importance that proper communication facilities should be provided at these ports as soon as possible.

It has been suggested that there should be through booking arrangements for steamer passengers to travel by State Transport buses and *vice versa*. We discussed this matter with the Chairman of the Bombay State Road Transport Corporation. According to him, through booking has not been a success at the port of Rewas and conditions are not ripe for extension of this system to other ports. The main difficulty we understand is that the passengers seldom avail themselves of this facility. We consider, however, that through booking arrangements are not merely a great convenience to passengers but also a sure means of stimulating steamer traffic. We would therefore suggest that the Bombay State Road Transport Corporation and the B. S. N. Co. should in consultation with each other explore the feasibility of introducing through booking arrangements at all Konkan ports where the volume of passenger traffic is comparatively large.

We consider that there should be a small joint standing Committee consisting of the General Managers of the State Transport Corporation and the B. S. N. Co., a senior representative of the Maharashtra Government, preferably the Secretary of the Department concerned with Communications and Transport and a M.L.A. or two representing the Konkan public to maintain close co-ordination between State Transport and steamer services. This Committee would particularly be consulted by the State Transport Corporation and the B. S. N. Co. before either of them effect any changes in the routing, time schedules, etc. of their respective services.

(9) *Carriage of mail by steamers.*—At certain Konkan ports which we visited there was a demand from the public for the mails being carried there by steamer as used to be the case in the past. Compliance with this demand would depend on the revival of the Company's mail contract by the postal authorities. We have gone into this question in consultation with the Company, the D. G. P. & T. and P.M.G., Bombay. Under the present arrangements, mails are carried to most places in Konkan generally by the land route and to a few by the combined air and land route. As compared with the past when mails were being carried by steamer, mails at present reach certain places sooner and certain other places later. We consider that the revival of the B.S.N. Co.'s mail contract could be taken up only on the basis that the steamers will carry mails to places where conveyance by the land route involves more delay. On this basis the Company do not consider it worthwhile getting back the mail contract. It is, therefore, not possible to arrange for the carriage of mails to any of the Konkan Ports by steamer.

(10) *Mango Parcels.*—The Company used to derive a fairly substantial income from mango parcels carried by their steamers. This revenue has considerably gone down during the last few years on account of diversion of the parcels to road transport, as will be seen from the following figures :—

Year.				Income from mango parcels.
				Rs.
1954-55	...	...	...	1,44,576
1955-56	...	...	...	1,18,511
1956-57	...	...	...	71,133
1957-58	...	...	...	79,003
1958-59	...	...	...	67,857

The Company say that the reason for this diversion is that transport of mango parcels by steamer involves a number of handlings, viz., from the garden into the bullock cart, thence to the Company's godowns, from there into the "padaos", from the "padaos" on to the steamer and from there into the hold, the whole process being repeated in the reverse order at the delivery end in Bombay. These handlings inevitably result in appreciable damage to the parcels. On the other hand, transport of the parcels by trucks means that the parcels are placed right in the truck at the garden and delivered intact straight from the truck at the Crawford Market in Bombay. In view of this, the Company point out that no amount of inducement to the shippers is likely to attract mango parcels to steamers. The position in this respect may slightly improve when direct loading facilities for the parcels become available with the construction, as recommended by us, of alongside berthing facilities at some of the important Konkan ports but we feel that the Company could probably on their part do little in the matter at the moment.

(11) *Training Scheme for the Company's Ships Officers.*—The Bombay Steam Navigation Company used, in the past, to promote senior Succanis and Khalasis as watch-keeping officers who, in course of time, obtained home-trade mate certificates. On the marine engineering side, suitable senior fitters, with considerable workshop experience, were being posted as uncertificated watch-keeping engineers. These fitters, subsequent to acquiring some watch-keeping knowledge and experience, filled in their time in the drawing office and the moulding department and obtained the B.O.T. Part "A" certificate. The Company subsequently introduced a training

scheme for suitable candidates in both the branches. Meanwhile, the Government of India started classes for training in marine engineering in the Nautical & Engineering College, Bombay. Government, therefore, asked the Company to stop their training scheme.

The Company say that they are at present experiencing great difficulty not only in recruiting home-trade masters, mates and engineers for their ships but even to retain those already in service. The D. G. Shipping state that so far as home trade masters and mates are concerned, a number of ratings trained in the Ratings Training Establishments are coming up for home-trade certificates of competency and that a certain percentage of them has already obtained their certificates as (home-trade) mates. Further under the Merchant Shipping Act, 1958, every ship of over 3000 tons gross will need to be manned by foreign-going certificated masters and mates with the result that a number of home trade officers now serving on such ships will become surplus. They do not, therefore, anticipate any shortage of home trade deck officers.

As regards engineers, the Directorate General of Shipping point out that there is a general shortage of both certificated and uncertificated engineers. Even so, so far as the Bombay Steam Navigation Co. Ltd., are concerned, the position in regard to certificated engineers is eminently satisfactory, inasmuch as they have 16 certificated engineers for their fleet of 5 ships. In common with other Indian shipping companies owning home-trade vessels, the Bombay Steam Navigation Co. Ltd., might be experiencing some difficulty in securing the services of uncertificated engineers. We understand from the D. G. Shipping, that the general question of the adequacy of engineering personnel required for the shipping industry i.e. for both foreign-going and home-trade vessels, was reviewed only last year, and as a result they have increased the intake of the Marine Engineering Training Centre which is the principal source of supply of marine engineers, from 65 to 100 boys per year, from August 1959. The period of training under the training Scheme being 4 years, no candidate becomes eligible to appear at the lowest grade of examination i.e. Part "A" of the Second Class Engineers Examination, until he has completed 4 years training, the effect of this increased intake will be felt only from August 1963. To meet immediate requirements, however, permission is being given freely to shipping companies to appoint as engineers on home-trade vessels, persons who have previously served as uncertificated engineers at sea or have had suitable sea experience in the Navy. In order to assist owners of home-trade vessels in retaining the services of certificated engineers, the D. G. Shipping have also imposed a restriction on the transfer,

except with their consent, of junior engineers from home-trade, to foreign-going, ships. The Officer personnel requirements of the Indian Merchant Navy are under constant review by the Merchant Navy Training Board and suitable steps, as recommended by them and as warranted by the expansion programme of the Indian Shipping Companies in the matter of acquisition of additional tonnage are taken by the D. G. Shipping.

We agree that, so far as the requirements of home-trade masters and mates are concerned, the Company should have no difficulty in meeting them. We would, however, like to emphasise that the Company in recruiting these officers should take into account not merely their technical competence and experience as navigating officers, but also the fact that these officers have to handle a large volume of passenger traffic and should therefore conform to some reasonable standards of general education and have some personality and qualities of leadership.

As regards engineers, we consider that in view of the steps taken by the D. G. Shipping to meet the possible shortages of certificated and uncertificated engineers, both at present and in the future, the Company should not find it difficult to recruit officers for their home-trade fleet. It is to be expected that in due course, the difficulty mentioned by the Company will be met by the operation of the law of supply and demand. Besides, having regard to the fact that in the case of engineer officers there are no separate certificates of competency for home-trade and foreign-going ships and as no separate standards for the appointment of engineer officers exclusively for home-trade vessels could be laid down, we feel that the suggestion of the Bombay Steam Navigation Company to institute a special training scheme for the training of home-trade engineers is neither necessary nor feasible. Moreover, it has to be remembered that any scheme instituted in this behalf would be required to satisfy the general conditions governing the training scheme for marine engineers, in the matter of qualifying workshop service, sea service, etc. Therefore, even candidates trained under such a scheme might be available for employment as engineers only after a period of 4 to 5 years i.e. in the beginning of 1965 at the earliest. Considering that the increased output of the Marine Engineering Training Centre will be effective from August 1963, any such special scheme for training of home-trade engineers will be unnecessary.

CHAPTER XV.

SUMMARY OF RECOMMENDATIONS

CH. PARA.

161. The following is a summary of our recommendations :—
1. The Scindia Company should treat the loan granted VI 59 by them to the B. S. N. Co., as without interest in future.
 2. The construction or improvement of the following VII 66 feeder roads should be undertaken without delay :—
 - (1) Shriwardhan ... A pucca road from Bag Mandla to Shriwardhan — distance 12 miles.
 - (2) Palshet, Boria.. The road between Hedvi and Veldur via Guhagar should be improved. It is also advisable to connect Boria with Chiplun, a distance of 38 miles.
 - (3) Karbone ... A road should be constructed between Chiplun and Karbone, a distance of 9 miles.
 - (4) Tivri ... The road from Ganpatipule should be extended up to Tivri via Malgund—a distance of about 4 miles—and the road from Ratnagiri to Ganpatipule should be improved. This will connect Tivri with Ratnagiri Port, a distance of 32 miles.
 - (5) Jaygad .. The road between Tivri and Jaygad (distance 9 miles) should be improved.

- (6) Purnagad ... The road between Purnagad and Ranpar (6 miles) should be raised in class.
 The road between Ratnagiri and Purnagad should be improved and raised in class.
- (7) Musakazi ... The road between Rajapur and Musakazi should be improved.
- (8) Achra ... The road between Achra and Malwan should be made a first class metalled road.
- (9) Vijaydurg ... Roads should be constructed
 (i) between Karme Ghat and Tarala via Vaibhawadi and
 (ii) between Khare-Patan and Kusur.
- (10) Deogad ... A road from Deogad to Achra is necessary.
3. Of the three ports of Revdanda, Hareshwar and Purnagad, which were formerly being served by coastal steamers but have since been closed for passenger traffic, there is no need to consider the reopening of Revdanda and Hareshwar for such traffic. As regards Purnagad the question whether this port presents any difficulty for steamers calling after mid-day or at night needs investigation by the Port Officer of the Maharashtra Government without any loss of time. In the meantime the Schedules of the steamer services to be adopted for the immediate future should be so framed as to include a call at Purnagad at least twice a week. VIII 70-72
4. The pattern of steamer services on the Konkan coast that we would recommend for the immediate future is as follows :— VIII 76
- Dabhol Line.*—This service to continue as at present.
Purnagad Line.—To operate from 1st of October till 31st of January once a week. From 1st February, this service to operate thrice a week till the end of the season.

Vengurla Line.—This service to operate on the same lines as prior to "rationalisation" of the services, from 1st September to 30th September and from 1st February to the end of the season. From the 1st October, this service to cater for the minor ports of the Purnagad line twice a week till the 31st January.

5. With the improvement of the services as suggested VIII 78 by us, viz. the re-introduction of the Purnagad Line, it would appear reasonable to assume that annual passenger traffic would be about 6·75 lakhs in future.
6. The operating expenses incurred by the B. S. N. Co. IX 98 (1953) Pvt. Ltd., are not unreasonable under any of the heads under which such expenses fall but the item of interest charges to Scindias should in future be excluded from such expenses.
7. We estimate that, at the existing rates of fares, there X 103 & will be a shortfall in the Company's revenue as 110 compared with the expenses for the coming two years as follows :—

	(Rs. lakhs)
1960-61	4·29
1961-62	4·93

In order to make good this short-fall, we recommend an increase in fares of 8 per cent. with immediate effect.

8. The Company's claims to be reimbursed past losses X 113 cannot be accepted.
9. It would not be feasible to start a monsoon service XI 116 on the Konkan coast at present. Nor is there any compelling need for this at the moment.
10. The Maharashtra Government should arrange XI 116 for a hydrographic survey of the ports of Ratnagiri, Dabhol, Jaigad, Vijaydurg and Devgad as soon as possible. These ports should be visited by the Port Advisor to the Government of India and a Nautical expert (e.g. the Principal Port Officer of Maharashtra Government) during the monsoon and arrangements made for taking observations over a suitable period of time of the wind, tide and other conditions at each port. The question whether or not all weather facilities could and should

be provided at any of these ports would depend on the data collected on these lines. In the meantime the construction of alongside berthing facilities at Jaigad, Vijaydurg and Devgad for the fair weather season should be designed for all weather conditions and wherever possible for a draft of 15 ft.

11. For the long term future, while the Dabhol and XI 117
Vengurla line services may continue as at present with a daily service for six days in the week, the Purnagad line should have a tri-weekly service throughout the fair season from the beginning of September to the end of May.
12. The total number of ships required for the Konkan XI 117
service for the long term future is six.
13. The new ships to be ordered for the Konkan coastal XI 125
services should be powered by diesel engines and should have a service speed of 14 to 15 knots. They should provide benches to seat 25 per cent. of the passengers, and should be so constructed as to enable a greater proportion or the whole number of passengers being provided with seats on benches if that should prove more popular than the existing mode of travel on the bare deck. They should also incorporate certain other improvements on the lines suggested by us.
14. The SS Hiravati may be allowed to be scraped. XI 126
15. Orders for two new ships to replace the existing XI 127
ships, *Chandravati* and *Ratnagiri*, should be placed immediately. Orders for a third new ship to bring up the strength of the Company's fleet to a total of six ships should also be placed immediately.
16. With the introduction of the three new ships XI 128-129
the operating costs of the Konkan steamer services are expected to go up by Rs. 9.71 lakhs per annum. This additional cost should be borne by the Central Government, the Maharashtra Government and the travelling public as follows :—
 - (i) the Central Government should provide a loan to the Company for the purchase of the new ships repayable in twenty annual instalments,

free of interest. This would mean a contribution by the Central Government by way of waiver of interest of Rs. 3·6 lakhs in the first year diminishing at the rate of Rs. 18,000 *per annum* over a period of twenty years. This would work out to an average annual contribution of Rs. 1·89 lakhs;

- (ii) the Maharashtra Government should make a like contribution in the shape of a direct subsidy to the Company of Rs. 1·89 lakhs p.a.;
- (iii) the travelling public should bear the balance in the shape of a further increase in fares of 7 per cent.

These arrangements will be subject to review at the end of five years, or even earlier, should any material change occur in the meantime in the circumstances under which the Konkan shipping services operate.

17. As regards the loans to be paid by the Central Government for the purchase of ships, we consider that the terms on which they should be granted should be similar to those governing the grant of loans to shipping companies generally for the purchase of ships for coastal trade, except that the loans in this case should (i) be paid on adequate security to be furnished by the Scindia S. N. Co. Ltd., (ii) be made repayable in twenty equated annual instalments, and (iii) be free of interest. XI 132
18. We feel that the subsidy scheme suggested by us should be preferred to nationalisation and should be implemented with immediate effect. We would, however, like to qualify this recommendation to the extent that if, from experience over a reasonable period, our scheme is found not sufficiently conducive to the public interest, Government should be free to re-examine the whole question in all its aspects, not excluding the desirability of nationalisation. In the terms and conditions subject to which loans are granted to the Company for the purchase of the new ships, it should be made clear that in the event of nationalisation of the service, Government would have the right to acquire these ships at their book value, less depreciation. XI 135

19. The Maharashtra Government should promulgate rules under section 6(1) (a) of the Indian Ports Act, 1908, applicable to the minor ports of Rewas and Dharamtar and the Government of India should promulgate similar rules applicable to the major port of Eombay, for regulating the Harbour Services. XII 152
20. The B. S. N. Company should continue to run the Harbour Services all the year round as an integral part of their Konkan coastal services. Their Monsoon services should, however, in future cover not only Rewas and Dharamtar but also Uran (Mora). XII 154
21. We do not recommend any further increase in fares so far as the harbour services are concerned. XII 155
22. The administration of the harbour services should be taken over by the Maharashtra Government from the Collector of Central Excise, Bombay. XII 156
23. Siltation has become particularly acute at Rewas, Dharamtar, Dabhol, Jaigad, Ratnagiri and Malwan. It requires to be tackled urgently first by making the necessary hydrographic surveys for ascertaining the extent of siltation that has occurred at the various places and then by dredging the entrance bars and inner harbours of the ports to restore them to their original depths. XIII 159(1)
24. The Survey Sub-Division of the Marine Division of the Maharashtra Government should complete the hydrographic surveys of all the Konkan ports within as short a time as possible. XIII 159(1)
25. We lend our full support to the State Government's proposal for the purchase of a second dredger for the Konkan ports. We would also recommend that when the Central Dredger Pool is set up it should treat the dredging of the approach channels to the Konkan ports as deserving of high priority. XIII 159(1)

- 26. Dredging is necessary particularly at the following XIII 159(1) ports and provision should be made for it in the Third Five-Year Plan :—
Mora, Rewas, Deogad, Vijaydurg, Vengurla, Jaigad and Malwan.
- 27. As the Konkan ports handle a large volume of XIII 159(2) passenger traffic, the hydrographic surveys of these ports and the publication of up-to-date navigational charts in respect of them should be undertaken and completed by the Chief Hydrographer to the Indian Navy as a top priority programme. The ports requiring immediate survey are Janjira, Dabhol, Jaygad, Vijaydurg and Malwan.
- 28. Larger plan charts should be provided in respect of XIII 159(2) small ports on the Konkan Coast such as—Shri-wardhan, Harnai, Palshet, Boria, Tivri, Ranpur, Purnagad and Achra. Tide tables for the ports of Dabhol, Jaygad and Malwan should also be prepared.
- 29. Construction of passenger coastal berths with XIII 159(3) dolphins and gangways should be taken up at the ports of Devgad, Vijaydurg and Jaygad in the Third Five-Year Plan.
- 30. Whatever doubts there may be regarding the constitutional position relating to lighthouses should be cleared with the least possible delay and the light-house projects envisaged for the Konkan ports taken up and completed without further loss of time. In particular,—
 - (i) the lights now being maintained by the B. S. N. Co. should be taken over by Government immediately,
 - (ii) the Perch Rock at Malwan should be permanently marked by a buoy and it should be so founded as to ensure that the buoy will not shift its position under any conditions of tide, weather, etc.,
 - (iii) a light should be provided at the Korlai Fort to enable the B. S. N. Co.'s ships to pass through fishing stakes safely.

31. The improvement schemes included in the First and XIII 159(5) Second Five-Year Plans for the various Konkan ports should be completed as quickly as possible and the following further schemes taken up in the Third Five-Year Plan :—

Dabol	... Provision of water supply.
Deogad	... Provision of water supply.
Vijaydurg	... (i) Provision of water supply. (ii) Construction of passenger shed with canteen, W.Cs., etc.
Vengurla	... Provision of water supply.
Janjira	... (i) Electrification of Khora Wharf. (ii) Provision of water supply at Khora Wharf. (iii) Construction of a passenger shed at Khora.
Jaigad	... Provision of water supply.
Malwan	... Provision of water supply.
Achra	... Construction of passenger shed with W.Cs. etc.

32. The B. S. N. Co., and the State Transport Corporation should jointly draw up an integrated scheme for the provision of adequate communication facilities at the various Konkan ports, with a view to its being sponsored by the Bombay Government to the Central Government and the D. G., Posts & Telegraphs.
33. The Government of Maharashtra should take over XIII 159(7), direct administration of all the Konkan ports within as short a time as possible.
34. The B. S. N. Co., should as far as possible give XIV 160(1) timely warning to passengers of likely cancellations and delays to ships.
35. Mechanisation of "Padaos" (passenger lighters) XIV 160(5) is not practicable. At ports where alongside facilities for passengers are not provided the question of providing suitable tugs or launches for the towage of the "Padaos" may be considered. We would particularly recommend this for the port of Ratnagiri.

36. Continuous vigilance should be exercised by the authorities concerned as well as the Deck Passenger Welfare Committee at Bombay to ensure that so far as the Konkan services are concerned the recommendations of the Deck Passenger Committee are strictly enforced and implemented. XIV 160(6)
37. In order to facilitate the revival of creek services the State Government should get the creeks surveyed and desilted by dredging. XIV 160(7)
38. As soon as suitable road connections to Janjira, Shriwardhan, Palshet, Boria, Ranpar and Achra are provided, State Transport omnibus services should be extended to these ports. XIV 160(8)
39. The steamer services and the State Transport bus services should be so timed that the steamer passengers as soon as they land at a port have a State Transport bus ready to take them to their interior destinations and vice versa. XIV 160(8)
40. The State Road Transport Corporation and the B. S. N. Co. should in consultation with each other explore the feasibility of introducing through booking arrangements at all Konkan ports where the volume of passenger traffic is comparatively large. XIV 160(8)
41. There should be a small standing Committee consisting of the General Managers of the State Transport Corporation and the B. S. N. Co., a senior representative of the Maharashtra Government (preferably the Secretary of the Department concerned with Communications and Transport) and an M. L. A. or two representing the Konkan public, to maintain close co-ordination between State Transport and steamer services. This Committee should specially be consulted by the State Transport Corporation and the B. S. N. Co., before either of them effect any changes in the routing, time schedules, etc. of their respective services. XIV 160(8)
42. The B. S. N. Co., in recruiting home-trade masters and mates should take into account not merely their technical competence and experience as navigating officers, but also the fact that their officers have to handle a large volume of passenger traffic and should therefore conform to some reasonable standard of general education and have some personality and qualities of leadership. XIV 160(10)

CHAPTER XVI.

ACKNOWLEDGEMENTS AND CONCLUSION.

162. We have reached the end of our enquiry.

We have been fortunate in that we have received assistance from all quarters, both official and non-official, both from Government and the public. In the circumstances, it would be invidious to pick and choose for special mention, but we feel we should be failing in our duty if we did not place on record our sense of gratitude to the Maharashtra Government from whom we have received unstinted help in every possible way throughout our investigations.

163. To the Director-General of Shipping and his officers, we are specially grateful not only for having placed at our disposal accommodation for the committee's offices but also for smoothing the many difficulties which beset the path of a temporary organisation.

164. The Bombay Steam Navigation Company (1953) Private Ltd. and their Principals, the Scindias, have been extremely co-operative, and not only responded willingly and cheerfully to our innumerable calls for information of every description but allowed us freely to draw upon the wide experience and deep knowledge of the problems with which we were concerned, of Shri M. L. Sheth, till recently General Manager of the subsidiary Company. We wish to thank the Chairmen and the Boards of Directors of both the Companies specially for this gesture of goodwill.

165. Shri M. V. Ratnam, Cost Accounts Officer, who was attached to us by the Government of India to scrutinise the accounts of the B. S. N. Company, has been a valuable asset. Fully conversant with the intricacies of Cost Accounting and allied problems he has dealt ably, expeditiously and cheerfully with the many conundrums we set him.

166. Our Secretary, Shri A. V. Subramania Iyer's intimate knowledge of the problems of shipping acquired during his long connection with the Ministry of Transport has been of great advantage to the Committee, and Shri Iyer has proved himself to be a competent, conscientious and hardworking Secretary, and a good draftsman.

167. Shri Mainkar, Private Secretary to Chairman, continued to be, as he always was, invaluable. The Committee's staff has worked hard and well and our thanks are due to them.

168. Finally, we are greatly obliged to Shri J. W.D'Souza, Director, Government Printing and Stationery, and Shri B. S. Naik, Manager, Government Central Press, Maharashtra Government, and his staff for having printed this Report in record time.

Commerce House,
Ballard Estate, Bombay-1,
The 28th October 1960.

(Signed) P. S. Rau

Chairman.

A. Ramaśwami Mudaliar
Asoka Mehta
Babubhai Chinai
S. G. Barve
C. P. Srivastava
V. P. Varde
Wamanrao Rane

} Members.



APPENDIX I.

KONKAN SHIPPING SERVICES COMMITTEE.

(Questionnaire to the Public)

(It is not necessary to answer all the questions. If any person has any information to give on topics relevant to the enquiry but not specifically touched upon in the questionnaire below, he is free to furnish it. Replies to the questionnaire should be addressed to the Secretary, Konkan Shipping Services Committee, Commerce House, Ballard Estate, Fort, Bombay-1, and should reach him by the 15th November 1959 at the latest.)



KONKAN COASTAL SERVICES.

I. The Bombay Steam Navigation Company (1953) Private Ltd., have asked for a substantial increase in the Konkan passenger fares on the ground that at the existing level of fares they cannot meet the current operational costs which have increased steeply. They have pointed out that—

(1) Whereas since 1939, the passenger fares have been increased only by 150 per cent. the costs have gone up by a much larger percentage (more than 250 per cent.) because of the following factors :—

(a) A large increase in the capital cost of ships, e.g.

(i) S. S. *Chandravati* built in 1933 cost Rs. 5·94 lakhs.

(ii) M. S. *Dipavati* built in 1936 costs Rs. 7.95 lakhs.

Similar vessels are estimated to cost about Rs. 70 lakhs each today.

(b) A large increase in repair costs as shown by—

(i) rise in the wage level—

(1) whereas in 1935-39 an unskilled worker in a workshop received Rs. 26, today he receives Rs. 119·47;

(2) whereas semi-skilled worker received Rs. 35 in 1939, today he receives Rs. 134·10.

(ii) A large rise in the cost of materials—

The repair bills of the ships, "Chandravati" and "Hiravati", which were Rs. 62,963 and Rs. 60,563, respectively, in 1946-47, had risen to Rs. 2,11,324 and Rs. 1,71,639, respectively in 1957-58.

(c) A large increase in the wage bill as shown by the following :—

(i) The wages bills of the ships "Chandravati" and "Hiravati" which were Rs. 75,114 and Rs. 75,505, respectively in 1946-47, had risen to Rs. 1,80,145 and Rs. 1,69,820, respectively in 1957-58.

(ii) An Office Clerk getting Rs. 50 to Rs. 60 in 1939 now gets Rs. 165.

(iii) A Khallasi getting Rs. 39 in 1939 now gets Rs. 155.

(iv) A Captain getting Rs. 360 in 1939 now gets Rs. 1,000.

(d) A steep rise in the fuel costs as shown by the following prices :—

	1939/49	1959.
	Rs.	Rs.
Furnace Oil	... 29·75 per ton	114·89 per ton.
Light Diesel	... 51·81 " "	247·00 " "
Coal	.. 19·81 " "	80·00 " "

(e) Increased expenditure caused by extra safety measures and passenger amenities.

(2) In support of their claim they have also cited the fact that in the other unberthed passenger services, viz., Madras—Singapore, Bombay—Karachi, Bombay—Basrah and Madras—Rangoon the fares have been increased by anything between 234 per cent. to 275 per cent. over the pre-war levels while in the Konkan Services the fares have been increased only by 150 per cent. over the pre-war levels. The Company have further cited the fact that the average rate per passenger mile in the Konkan Service is only between 6·30 n.P. to 7·88 n.P., while that in other deck passenger services ranges from 6·14 n.P. to 9·73 n.P.

(3) The decrease in income owing to :—

(a) Closure of Panjim passenger traffic and consequent loss of some 60,000 passengers and about Rs. 9,00,000 in earnings.

(b) General fall in passenger traffic from 8,19,542 in 1948-49 to 6,65,723 in 1958-59.

(c) Diversion of a substantial proportion of mango parcels to road transport as shown by the following figures :—

	1954-55	1956-57	1958-59.
Total number of parcels carried ...	1,44,576	71,133	67,857

Note.—The figures of Panjim traffic are excluded from these figures.

(d) Diversion of passenger traffic to Road Transport.

(e) Reduction in passenger capacity of vessels owing to larger space per passenger prescribed by Government.

Please give your comments on each of the above points separately.

II. On the question whether the travelling public can bear an increase in the passenger fares, such as demanded by the Company, the Company have given the following data about the increase in the earnings of the industrial workers of Bombay who constitute the bulk of the travelling public on the Konkan Lines—

Category of workers.	Earnings in	
	1939	1959
	Rs.	Rs.
Textile Workers ...	35	170
Skilled Worker in a Ship Repair Shop ...	52	151.50

During the same period, i.e., since 1939, the fares of the Konkan Steamers have gone up by 150 per cent. only, as shown by the following figures :—

Service.	Fares.	
	1939	1959
	Rs. nP.	Rs. nP.
Bombay-Dabhol	2.37	6.07
Bombay-Ratnagiri	3.00	7.57
Bombay-Malwan	4.25	12.13

Please give your comments.

III. If you consider that there is no justification for any increase in the existing fares and if it is found that the Company are unable to continue their services unless they are allowed to increase the fares suitably what method would you suggest of making good the recurring losses sustained by the Company which are of the following order :—

Year.	Amount of loss.		
	Rs.		
1954-55	4,25,030	
1955-56	4,62,012	
1956-57	3,12,153	
1957-58	7,42,775	

IV. The Bombay Steam Navigation Company was merged with Scindias and two new companies, wholly-owned subsidiaries of Scindias, were formed—the Bombay Steam Navigation Company (1953) Private Ltd., and a Workshop Company for operation of passenger services on the Konkan Coast and for carrying out repairs to ships, respectively. Do you consider that the aforesaid scheme has produced any adverse effects from the point of view of the travelling public, or otherwise. If so, please state how.

V. (i) The Company say that the passenger traffic on the Konkan Coast has steadily declined in recent years on account of the fact that while formerly the workers in the mills and other industries used to travel a number of times during a year by giving substitutes in their places, under present day labour conditions it is no longer possible to do so without forfeiting the benefits of leave, gratuity, etc., and therefore, the frequency of their visits to Konkan has been considerably reduced. The Company also say that the new Land Legislation giving greater rights to the tiller of the soil has also considerably affected the movement of passengers of this sector.

Please give your comments.

(ii) The Company further consider that the Konkan traffic has stabilised itself now at some 8 lakhs passengers per annum. Do you accept this estimate or do you visualise any appreciable increase or decrease in the next few years.

VI. The Company have stated that the only cargo available to their steamers is the mango parcels. They have also pointed out that more than half of this traffic has been lost to road Transport since 1956-57. What in your opinion are the reasons for this diversion? Do you consider that this traffic can be regained? If so, please state how. Apart from the mango traffic do you consider that there is any other cargo which can be secured for steamer services? If so, please give details in respect of each port of call.

VII. The Company say that transport of mango parcels by launches and trucks is preferred by the shippers as the number of handlings is considerably reduced thereby and the mangoes reach Bombay in much better condition.

Please give your comments.

VIII. For reasons of economy the Company have recently rationalised and re-organised their services in respect of frequency and ports of call in certain sectors omitting Purnagad altogether. Do you consider that the needs of the travelling public are adequately met by these rationalised services. If not, what changes would you suggest, having regard to the volume of traffic, in respect of :—

- (a) frequency of services ; and
- (b) Ports of call.

IX. In justification of the omission of Purangad from their schedule from September 1959, the Company have stated that Purangad has had to be omitted because—

- (i) it is unsafe to embark and disembark passengers there at night;
- (ii) it is unsafe for the lighters to cross the bar after mid-day;
- (iii) the Purangad travelling public are not likely to be seriously inconvenienced by the Company's ships not calling at Purangad as they could take a steamer at Ranpar or Ratnagiri which are at a distance of 7 miles and 13 miles, respectively, from Purangad.

Please give your comments.

X. What are the existing facilities at each port of call in regard to—

- (a) Landing jetties,
- (b) Launches and lighters, and
- (c) Navigational lights ?

In what respects do these need improvement or addition ?

XI. Is any co-ordination possible or desirable between the steamer and Road Transport Services operating in the region, and, if so, please make specific proposals indicating what public benefit would accrue therefrom.

XII. Do you consider that the provision or construction of any feeder roads to the Ports would promote steamer traffic. If so, please give your suggestions.

XIII. The Company say that the expenses that they incur on account of maintenance of lighters and crew at various ports for the embarkation and disembarkation of passengers come to about Rs. 2 lakhs per year and that the charges should be passed on to the passengers. Please give your comments.

XIV. The Company say that one of the essential features of the Konkan passenger traffic which comes in the way of economic utilisation of the ships space is the one way and seasonal nature of the traffic, i.e., there is a large movement of passengers from Bombay Konkanwards during such periods as the Marriage season, Diwali, Holi, etc., when there is no corresponding return traffic to Bombay. In the circumstances the Company say that the average capacity utilised is only between 60 to 70 per cent.

Please give your comments.

XV. The Company say that until recently they were maintaining a number of creek services in the Dabol, Jaigad, Jaitapur and Vijaydurg creeks, but that they have had to close them down (excepting in Dabol Creek) owing to the siltation of the creeks and the diversion of traffic to road transport. Do you consider that the closure of these services by the Company has led to any undue inconvenience to the travelling public and, if so, would you recommend the revival of these services in any of the creeks by dredging etc.

HARBOUR SERVICES.

XVI. The B. S. N. Co. (1953) Ltd., have asked for a substantial increase in their Harbour Service fares on grounds similar to those urged in the case of the Konkan Coastal Services, Please give your comments.

XVII. The Company have further stated that while they are required to place a big launch with a passenger capacity of 525 during the fair weather months and a regular ferry steamer during the monsoon months, each of them built at high capital cost, and to operate their services according to fixed schedules of fares and timings, a number of private launch owners place their comparatively cheap war built vessels during the fair weather months only and take away the cream of the traffic by operating unscheduled services. They say that as a result of this, the percentage of traffic they carry has dwindled from 80 per cent. in 1947-48 to 30 per cent. in 1958-59, and that the operation of their services has become uneconomic entailing heavy losses, Please give your comments.

XVIII. Do you consider that any greater government control over the Harbour Service is desirable in the public interest? If so, please indicate on what lines such control should be exercised; and in particular whether you would recommend licensing of vessels, laying down that only such vessels will be allowed to run as comply with prescribed conditions, such as—

- (i) Passenger capacity;
- (ii) Plying throughout the year;
- (iii) Plying according to prescribed schedules of fares and timings;
- (iv) Complying with such other conditions as may be laid down by the licensing authority.

XIX. If, as a result of such regulation, the vessels now plying somewhat irregularly are eliminated, do you consider that the services provided by the B. S. N. Co. would be adequate?

By order,

(Signed) A. V. SUBRAMANIA IYER,

Secretary.

Bombay, dated the 12th October 1959



QUESTIONNAIRE TO
THE BOMBAY STEAM NAVIGATION COMPANY (1953)
PRIVATE LTD.



1. Please furnish comparative statements giving the following particulars for each year from 1947-48 onwards, separately in regard to—

- (A) B. S. N. Line
- (B) Konkan Coastal Services
- (C) Harbour Services.

- (1) The Company's organisational set up—
 - (i) at Headquarters; and
 - (ii) at each of the out ports covered by the Company's services.
- (2) The strength and composition of the fleet employed in the service.
- (3) The frequency of service and the number of round trips made.
- (4) The number of passengers carried.
- (5) The nature and quantity of cargo carried.
- (6) The earnings from—
 - (a) fares and (b) freight.
- (7) The expenditure under the heads :—
 - (a) Headquarters and out station establishment.
 - (b) Wages and other emoluments of floating staff.
 - (c) Fuel.
 - (d) Stores and provisions.
 - (e) Repairs.
 - (f) Insurance.
 - (g) Port and Light dues.
 - (h) Stevedoring.
 - (i) Depreciation.
 - (j) Other charges.

2. Please indicate in what manner and to what extent operational costs have been affected by the implementation of the Deck Passenger Committee's recommendations. This information may be given for each of the services for each year subsequent to the implementation of the Deck Passenger Committee's recommendations.

3. Give the following particulars in respect of each of the vessels of the old Bombay Steam Navigation Co. or their successors, viz., the B. S. N. Line and B. S. N. (1953), as the case may be, during each of the years from 1947-48.

- (a) Name of vessel.
- (b) Year of build.
- (c) G. R. T.
- (d) N. R. T.
- (e) Steam or motor.
- (f) Speed.
- (g) Fuel consumption (i) at sea, (ii) at port.
- (h) Purchase price.
- (i) Depreciated book value.
- (j) Complement of officers and crew.
- (k) Passenger capacity in various classes of accommodation, i.e. lower, upper and cabin.
- (l) Cargo capacity.
- (m) Route on which employed.

- (n) Frequency of service.
- (o) Ports of call.
- (p) Number of round voyages performed in the year.
- (q) Period of active employment during the year.
- (r) Laid up period—(i) for surveys and repairs, (ii) for other reasons.
- (s) Total operational expenditure under the various heads mentioned in question 1 (7).
- (t) The ruling fares in the services.
- (u) The ruling rates for cargo.
- (v) The total income from fares.
- (w) The total income from freight.

4. Please furnish a comparative statement showing the improvements effected in the salaries and other terms of employment of (a) shore staff and (b) floating staff, from time to time since 1947-48.

5. Please furnish full details of any agreements made from time to time by the company with (a) their shore staff and (b) floating staff, in regard to their terms of employment.

6. Having regard to the gradual reduction from 1947 to date in the strength of the company's fleet, in the ports of call and in the number of sailing in the various services, has there been any corresponding reduction in the strength of the company's staff ashore and afloat? If so, indicate the reduction effected from time to time.

7. Which ports on the Konkan Coast and in the Bombay Harbour have been served by your steamers at one time or other, and which of them have since been dropped?

8. In regard to each port now being served please indicate—

(i) the average number of passengers that embark or disembark at each call in either direction;

(ii) Whether the port is connected by a motorable road; and

(iii) whether there is any road transport service to the port and, if so, whether it is State or private operated, the frequency of the service, the fares charged, and the mileage covered, etc.

9. Do you consider that the operation of feeder services to ports by State transport would promote steamer traffic? If so, what are your suggestions?

10. You have stated that the company's mail contract which had been in existence for 40 years was terminated in 1958. Please indicate the details of this contract and the reason why it has been terminated.

11. You have stated that in recent years you have lost the mango parcel traffic to the road transport services. Please indicate the reasons for the loss of this traffic and the steps by which it could be regained.

12. How do the steamer fares and freight compare with road transport fares and freights?

13. Please state whether fares have been increased in the Bombay-Cochin service since 1947-48. If so, give details.

14. (a) In the petition to the High Court asking for approval of the merger scheme it was stated

"that for reasons of more economical and efficient working of both the Transferor Company (Bombay Steam Navigation Co. Ltd.) and the Transferee Company (Scindia Steam Navigation Co. Ltd.) it is considered expedient that the Transferor Company should merge with and into the Transferee Co. and thereby participate fruitfully and effectively in the wider business activities of the Transferee Company."

In what manner and to what extent has the merger resulted in the more economical and efficient working of both the Transferor and the Transferee Companies? If the expectations have not been realised, please state the reason why.

(b) In what way has the B. S. N. Co. (1953) Ltd. since "participated fruitfully and effectively in the wider business activities of the transferee Company"? If it has not so participated, please state the reason why.

(c) In paragraph 4 of the circular letter to the share holders giving reasons for the merger scheme, it was stated :—

"4. LOOKING to the tonnage which the Bombay Steam Navigation Co. Ltd., presently possesses and the natural limitations on any further expansion of its activities, the possibility of utilising the cash resources of that company for purchasing new tonnage that could be profitably employed within its normal zone of operations was strictly limited."

How were these cash resources utilised? Further, in view of the above statement, what arrangements were visualised for finding finances for replacing the ageing ships? It is said that inspite of the creation to solve "administrative and other problems of a local nature", of two wholly owned subsidiaries, with certain assets and properties, the Transferee Co., namely the Scindias, remained one single unit responsible, financially and otherwise, for these subsidiaries. What have you to say?

15. In paragraph 11 of their report, the Shipping Rates Advisory Board (Mr. N. S. Lokur) wrote as follows :—

"The Board after reviewing the arguments regarding the reconstitution holds the opinion that the financial arrangements of the different units after the merger and the utilisation of the different resources of the merging units being for the purpose of introducing greater economic stability into the merged units are to be treated as being purely an internal financial arrangement of the management of Scindias; but cast also the reciprocal obligation that any new liabilities imposed thereby on the working of any one of the merged units cannot be taken in isolation, as the exclusive concern of the subsidiary unit, when it raises the issue of the public being called upon to bear the consequences by way of enhanced fares, but in the broader perspective that the underlying idea of the merger has been for the greater economic stability of the merged units."

In view of this observation it is said that the holding company, viz. Scindia, have to accept responsibility, financial and otherwise, for the results of the operation of their wholly owned subsidiary, the B. S. N. Co. (1953) Ltd. It is also said that their wholly owned subsidiary, viz. the B. S. N. Co. (1953) Ltd. was expected to secure financial resources necessary, e.g., for the purchase of new ships. How can these purposes be fulfilled if the B. S. N. Co. (1953) Ltd. is to be viewed in isolation and not as an integral part of the holding Company?

16. (a) Having regard to the fact that the old B. S. N. Co. had satisfactorily functioned for a long period of years, why did you consider it necessary in 1952 to break it up into three bits, one to be amalgamated with the holding

company and the other two, viz. (i) the Konkan Services and (ii) the Workshop, to be constituted into two separate wholly owned subsidiaries of the holding company ?

(b) Please also explain why it was considered necessary to separate the cargo services from the Konkan Service run by the old B. S. N. Co. for years ?

(c) In 1952 when the three component units of the old B. S. N. Company were separated how were the common funds comprising capital reserves, surplus and depreciation reserves distributed ? Also the deferred taxation reserves ?

Please explain this with reference to Statements I, IV & V on page 51 of your memorandum.

17. Please explain in detail how the workshop activity of the Old B. S. N. Co. became increasingly incompatible with the maintenance of shipping services, with impact of labour legislation and developments in the general engineering industry since the end of the war.

(c.f. pp. 42-43 of your memorandum.)

18. On page 51 of your Memorandum Statements IV and V show alternative balance-sheets of B. S. N. Co. (1953) Private Ltd. On the liabilities side a loan from Scindias of Rs. 53,70,000 is shown. Was this loan received in cash ? How was this loan utilised ? If it was necessary to balance the assets, why was this amount shown as a loan and not as subscribed capital ? What is the interest on loan paid by the Company to the Scindias ?

Bombay :

Dated the 12th October 1959.

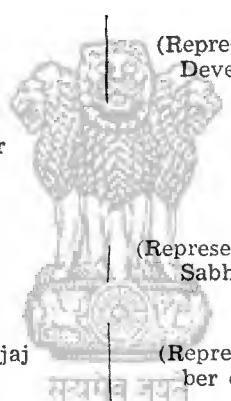
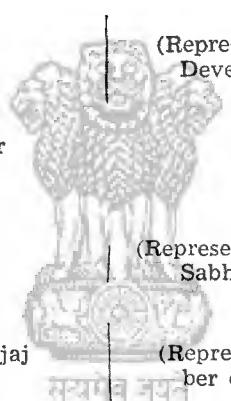
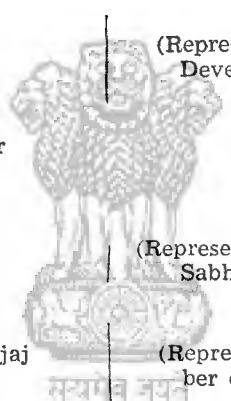
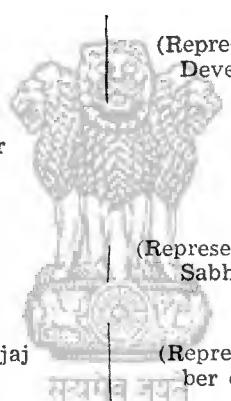
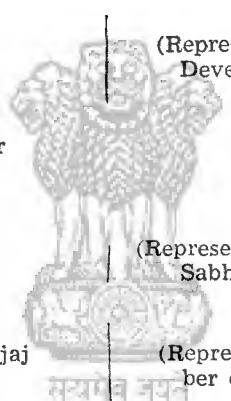
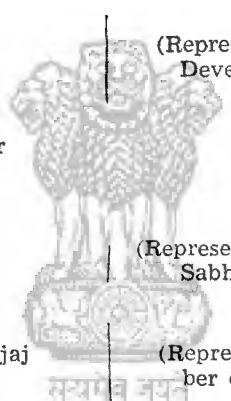
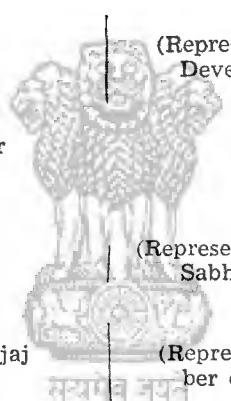
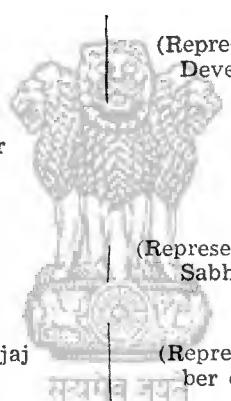
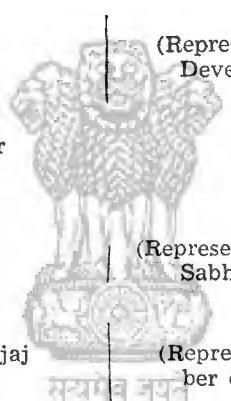
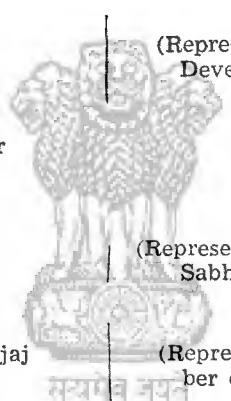
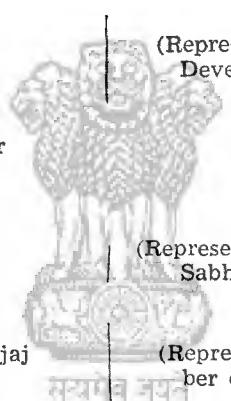
By Order,

(Signed) A. V. SUBRAMANIA IYER,
Secretary.

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APPENDIX II.

**LIST OF MEMBERS OF THE PUBLIC WHO TENDERED ORAL EVIDENCE
BEFORE THE COMMITTEE.**

1. Shri K. T. Mantri		(Konkan Vikas Mandal).
2. Shri D. K. Kunte		
3. Shri S. R. Bordavekar		
4. Shri M. T. Bandivdekar		
5. Shri Wamanrao Parab		
6. Shri Falnikar		
7. Shri A. B. Pandya		(Representing Passengers' and Traffic Relief Association).
8. Shri P. A. Coutinho		
9. Shri V. G. Vaze		(Representing Loka Manya Seva Mandal).
10. Shri R. T. Masurkar		
11. Shri S. L. Varadkar		
12. Shri L. N. Godbole		(Representing Konkan Transport Development Association).
13. Shri V. R. Shirodkar		
14. Shri R. L. Bellosay		
15. Shri B. V. Mirashi		
16. Shri B. V. Tambe		(Representing Kolaba Jilha Vikas Sabha).
17. Shri A. B. Walwaikar		
18. Shri V. S. Patil		
19. Shri D. K. Kunte		(Representing Maharashtra Chamber of Commerce).
20. Shri K. V. Joshi		
21. Dr. J. M. Rane		
22. Shri Ramakrishna Bajaj		(Representing Indian Merchants Chamber).
23. Shri K. V. Apte		
24. Shri R. G. Mohadkar		
25. Shri Pratapsingh Shoorji Vallabhdas.		(Representing the Indian National Steamship Owners Association).
26. Shri Mariwala		
27. Shri M. A. Master		
28. Shri M. K. Desai		(Representing Bombay Shareholders' Association and the Action Committee of the Scindia Steam Navigation Co. Ltd.).
29. Shri D. S. Pendurkar		
30. Shri K. P. Shah		
31. Dr. N. P. Mehta		(Representing Federation of Indian Chambers of Commerce and Industry).
32. Shri Govardhandas Bhagwandas		
33. Shri Jayant Amerchand		
34. Shri C. H. Diwanji		
35. Shri J. K. Fozdar		
36. Shri C. H. Bhabha		(Representing Loka Manya Seva Mandal).
37. Shri Vallabhdas		

APPENDIX III.

LIST OF M.L.As. WHO ATTENDED THE DISCUSSION HELD ON 26TH MAY 1960.

- | | |
|------------------------|---------------------------|
| 1. Shri B. B. Savant. | 8. Shri N. M. Chamankar. |
| 2. Shri V. R. Raut. | 9. Shri A. B. Vichare. |
| 3. Shri A. V. Modak. | 10. Shri S. G. Tipnis. |
| 4. Shri D. N. Patil. | 11. Shri J. R. Tawade. |
| 5. Shri G. S. Patne. | 12. Shri S. G. Tambitkar. |
| 6. Shri G. B. Kamble. | 13. Dr. P. V. Mandlik. |
| 7. Shri T. G. Gaikwad. | |





सत्यमेव जयते

APPENDIX VI.

SCHEDULES OF SERVICES AS THEY STOOD FROM TIME TO TIME.

1935-36.

DABHOL LINE.

(Daily)

Mile.	Ports.		Down.	Ports.		Up.
..	Bombay	Dep.	..	8-15 a.m.	Dabhol	Dep. .. 7-00 p.m.
45	Janjira	Dep.	..	12 Noon.	Harnai	Dep. .. 9-00 p.m.
63	Shriwardhan	Dep.	..	1-40 p.m.	Shriwardhan	Dep. .. 11-15 p.m.
78	Harnai	Dep.	..	3-15 p.m.	Janjira	Dep. .. 1-00 a.m.
95	Dabhol	Arr.	..	4-30 p.m.	Bombay	Arr. .. 6-00 a.m.

VIZIADURG LINE, MAIL.

(Daily)

Miles.	Ports.		Down.	Ports.		Up.
..	Bombay	Dep.	..	2-00 p.m.	Viziadurg	Dep. .. 11-00 a.m.
63	Shriwardhan	Dep.	..	7-30 p.m.	Moosakazi	Dep. .. 11-45 a.m.
78	Harnai	Dep.	..	9-20 p.m.	Purangad	Dep. .. 1-10 p.m.
99	Palshet	Dep.	..	12-30 a.m.	Ratnagiri	Dep. .. 2-30 p.m.
105	Boria	Dep.	..	1-15 a.m.	Tivri	Dep. .. 4-00 p.m.
111	Jaigad	Dep.	..	2-00 a.m.	Jaigad	Dep. .. 5-30 p.m.
123	Tivri	Dep.	..	3-20 a.m.	Boria	Dep. .. 6-20 p.m.
136	Ratnagiri	Dep.	..	4-50 a.m.	Palshet	Dep. .. 7-10 p.m.
148	Purangad	Dep.	..	6-15 a.m.	Harnai	Dep. .. 10-10 p.m.
161	Moosakazi	Dep.	..	7-45 a.m.	Bombay	Arr. .. 6-00 a.m.
166	Viziadurg	Arr.	..	8-15 a.m.		

GOA LINE MAIL.

(Daily)

Miles.	Ports.	Down.	Ports.	Up.
..	Bombay	Dep. ... 9-30 a.m.	Panjim	Dep. ... 10-00 a.m.
120	Ratnagiri	Dep. ... 7-00 p.m.	Vengurla	Dep. ... 12-50 p.m.
142	Moosakazi	Dep. ... 9-20 p.m.	Malvan	Dep. ... 2-35 p.m.
148	Vijaydurg	Dep. ... 10-05 p.m.	Achra	Dep. ... 3-35 p.m.
162	Devgad	Dep. ... 11-30 p.m.	Devgad	Dep. ... 4-55 p.m.
175	Achra*	Dep. ... 1-00 a.m.	Viziadurg	Dep. ... 6-15 p.m.
185	Malvan	Dep. ... 2-10 a.m.	Moosakazi	Dep. ... 6-55 p.m.
207	Vengurla	Dep. ... 4-10 a.m.	Ratnagiri	Dep. ... 9-15 p.m.
236	Panjim	Arr. ... 7-00 a.m.	Bombay	Arr. ... 7-15 a.m.

1938-39.

DABHOL LINE.

(Daily)

Miles.	Ports.	Down.	Ports.	Up.
..	Bombay	Dep. ... 8-15 a.m.	Dabhol	Dep. ... 7-00 p.m.
55	Shriwardhan	Dep. ... 12-30 p.m.	Harnai	Dep. ... 8-45 p.m.
77	Harnai	Dep. ... 2-15 p.m.	Shriwardhan	Dep. ... 10-00 p.m.
94	Dabhol	Arr. ... 3-30 p.m.	Janjira	Dep. ... 12-00 Mid-night.
			Bombay	Arr. ... 3-30 a.m.

* Achra will be called at on Monday and Saturdays.

VIJAYDURG LINE.

(Daily.)

Miles.	Ports.	Down.	Ports.	Up.
..	Bombay	.. Dep. ..	2-00 p.m.	Vijaydurg .. Dep. .. 11-00 a.m.
42	Janjira	.. Dep. ..	6-00 p.m.	Musakazi .. Dep. .. 11-45 a.m.
56	Shriwardhan	.. Dep. ..	8-00 p.m.	Purnagad .. Dep. .. 1-10 p.m.
60	Harishwar	.. Dep. ..	8-30 p.m.	Ranpar .. Dep. .. 2-00 p.m.
77	Harnai	.. Dep. ..	10-00 p.m.	Ratnagiri .. Dep. .. 3-00 p.m.
101	Palshet	.. Dep. ..	1-15 a.m.	Tivri .. Dep. .. 4-30 p.m.
107	Boria	.. Dep. ..	2-00 a.m.	Jaygad .. Dep. .. 6-00 p.m.
113	Jaygad	.. Dep. ..	3-00 a.m.	Boria .. Dep. .. 6-45 p.m.
125	Tivri	.. Dep. ..	4-20 a.m.	Palshet .. Dep. .. 7-30 p.m.
138	Ratnagiri	.. Dep. ..	6-00 a.m.	Harnai .. Dep. .. 10-00 p.m.
145	Ranpar	.. Dep. ..	6-55 a.m.	Hareshwar .. Dep. .. 11-30 p.m.
150	Purnagad	.. Dep. ..	7-45 a.m.	Bombay .. Arr. .. 5-30 a.m.
163	Musakazi	.. Dep. ..	9-10 a.m.	
169	Vijaydurg	.. Arr. ..	9-45 a.m.	

GOA LINE.

(Daily.)

Miles.	Ports.	Down.	Ports.	Up.
..	Bombay	.. Dep. ..	10-00 a.m.	Panjim .. Dep. .. 10-00 a.m.
120	Ratnagiri	.. Dep. ..	7-00 p.m.	Vengurla .. Dep. .. 12-50 p.m.
142	Musakazi	.. Dep. ..	9-20 p.m.	Malwan .. Dep. .. 2-35 p.m.
148	Vijaydurg	.. Dep. ..	10-05 p.m.	Achra .. Dep. .. 3-35 p.m.
162	Devgad	.. Dep. ..	11-30 p.m.	Devgad .. Dep. .. 4-55 p.m.
175	Achra	.. Dep. ..	1-00 a.m.	Vijaydurg .. Dep. .. 6-15 p.m.
185	Malvan	.. Dep. ..	2-10 a.m.	Musakazi .. Dep. .. 6-55 p.m.
207	Vengurla	.. Dep. ..	4-10 a.m.	Ratnagiri .. Dep. .. 9-15 p.m.
236	Panjim	.. Arr. ..	7-00 a.m.	Bombay .. Arr. .. 6-00 a.m.

1948-49.

DABHOL LINE.

Down.			(Daily).		Up.		
Ports.		Time.	Ports.		Time.		
Bombay	Dep.	.. 8-00 a.m.	Dabhol	Dep.	.. 8-00 p.m.		
Janjira	Dep.	.. 1-00 p.m.	Harnai	Dep.	.. 9-30 p.m.		
Shriwardhan	Dep.	.. 2-30 p.m.	Shriwardhan	Dep.	.. 11-30 p.m.		
Harqai	Dep.	.. 4-45 p.m.	Janjira	Dep.	.. 1-00 a.m.		
Dabhol	Arr.	.. 6-30 p.m.	Bombay	Arr.	.. 6-00 a.m.		

PANJIM LINE.

Down.			(Every Saturday and Monday),		Up.		
Ports.		Time.	Ports.		Time.		
Bombay	Dep.	.. 10-00 a.m.	Panjim	Dep.	.. 11-00 a.m.		
Ratnagiri	Dep.	.. 8-30 p.m.	Vengurla	Dep.	.. 1-00 p.m.		
Musakazi	Dep.	.. 11-00 p.m.	Malwan	Dep.	.. 3-45 p.m.		
Vijaydurg	Dep.	.. 11-30 p.m.	Devgad	Dep.	.. 6-00 p.m.		
Devgad	Dep.	.. 1-30 a.m.	Vijaydurg	Dep.	.. 8-00 p.m.		
Malwan	Dep.	.. 4-00 a.m.	Musakazi	Dep.	.. 8-30 p.m.		
Vengurla	Dep.	.. 6-30 a.m.	Ratnagiri	Dep.	.. 11-00 p.m.		
Panjim	Arr.	.. 9-00 a.m.	Bombay	Arr.	.. 9-30 a.m.		

VENGURLA LINE.

Down			(Every Sunday, Tuesday, Wednesday, Thursday and Friday).		Up.		
Ports.		Time.	Ports.		Time.		
Bombay	Dep.	.. 10-00 a.m.	Vengurla	Dep.	.. 11-00 a.m.		
Ratnagiri	Dep.	.. 8-30 p.m.	Malwan	Dep.	.. 1-45 p.m.		
Musakazi	Dep.	.. 11-00 p.m.	Devgad	Dep.	.. 4-00 p.m.		
Vijaydurg	Dep.	.. 11-30 p.m.	Vijaydurg	Dep.	.. 6-00 p.m.		
Devgad	Dep.	.. 1-30 a.m.	Musakazi	Dep.	.. 6-30 p.m.		
Malwan	Dep.	.. 4-00 a.m.	Ratnagiri	Dep.	.. 9-00 p.m.		
Vengurla	Arr.	.. 6-30 a.m.	Bombay	Arr.	.. 7-30 a.m.		

Note.—Achra will be called at by steamers leaving Bombay on Sunday, Tuesday and Thursday on both voyages.

JAYGAD LINE.

(Daily).

Down.				Up.			
Ports.		Time.		Ports.		Time.	
Bombay	Dep.	..	9-00 a.m.	Jaygad	Dep.	..	9-00 p.m.
Harnai	Dep.	..	3-45 p.m.	Harnai	Dep.	..	12-00 M/night
Jaygad	Arr.	..	6-30 p.m.	Bombay	Arr.	..	6-00 a.m.

PANJIM.

(Every Wednesday only).

Down.				Up.			
Ports.		Time.		Ports.		Time.	
Bombay	Dep.	..	10-00 a.m.	Panjim,	Dep.	..	11-00 a.m.
Ratnagiri	Dep.	..	9-30 p.m.	Vengurla	Dep.	..	1-30 p.m.
Vengurla	Dep.	..	6-00 a.m.	Ratnagiri	Dep.	..	9-30 p.m.
Panjim	Arr.	..	9-00 a.m.	Bombay	Arr.	..	9-30 a.m.

1353-57

DABHOL LINE.

(Daily).

	Down.			Up.
	Time.	Ports.		Time.
Dep.	.. 8-00 a.m.	.. Bombay ..	.. Arr. ..	6-30 a.m.
Dep.	.. 12-00 Noon	.. Janjira ..	.. Dep. ..	2-00 a.m.
Dep.	.. 1-45 p.m.	.. Shriwardhan ..	.. Dep. ..	12-00 Mid-night.
Dep.	.. 4-45 p.m.	.. Harnai ..	.. Dep. ..	9-30 p.m.
Arr.	.. 6-00 p.m.	.. Dabhol ..	.. Dep. ..	7-30 p.m.

VENGURLA LINE.

(Daily)

Down.		Ports.		Up.
Dep.	.. 10-00 a.m.	.. Bombay ..	.. Arr.	.. 7-30 a.m.
Dep.	.. 7-30 p.m.	.. Jaygad ..	.. Dep.	.. 10-30 p.m.
Dep.	.. 9-30 p.m.	.. Ratnagiri ..	.. Dep.	.. 8-00 p.m.
Dep.	.. 12-00 M/night	.. Musakazi ..	.. Dep.	.. 5-15 p.m.
Dep.	.. 1-00 a.m.	.. Vijaydurg ..	.. Dep.	.. 4-15 p.m.
Dep.	.. 2-30 a.m.	.. Dewad ..	.. Dep.	.. 2-30 p.m.
Dep.	.. 5-00 a.m.	.. Malvan ..	.. Dep.	.. 12-00 Noon.
Arr.	.. 7-30 a.m.	.. Vengurla ..	.. Dep.	.. 10-00 a.m.

PURNA GAD LINE.

(Sundays, Wednesdays and Fridays).

Down.		Ports.		Up.
Dep.	.. 10-00 a.m.	.. Bombay ..	.. Arr.	.. 6-00 a.m.
Dep.	.. 4-45 p.m.	.. Harnai ..	.. Dep.	.. 11-30 p.m.
Dep.	.. 7-15 p.m.	.. Palshet ..	.. Dep.	.. 9-00 p.m.
Dep.	.. 8-15 p.m.	.. Boria ..	.. Dep.	.. 8-00 p.m.
Dep.	.. 9-15 p.m.	.. Jaygad ..	.. Dep.	.. 7-00 p.m.
Dep.	.. 10-30 p.m.	.. Tivri ..	.. Dep.	.. 5-30 p.m.
Dep.	.. 12-30 M/night.	.. Ratnagiri ..	.. Dep.	.. 4-00 p.m.
Arr.	.. 1-00 a.m.	} .. Ranpar ..	.. { Dep.	.. 2-30 p.m.
Dep.	.. 6-00 a.m.		.. { Arr.	.. 1-00 p.m.
Arr.	.. 6-30 a.m.	.. Purnagad ..	.. Dep.	.. 12-00 Noon.

Note.— Malvan will not be visited on the down voyage till the night navigation marks are relaid by the authorities concerned. Passengers will be disembarked on the up voyage.

Achra will be visited by Vengurla Line Steamers sailing on Sundays and Wednesday from Bombay.

Jaygad will be visited by Vengurla Line Steamers daily upto 13th October 1956 and on Mondays, Tuesdays, Thursdays and Saturdays only on and from 15th October 1956.

1958-59

DABHOL LINE.

(Daily except on Tuesdays.)

Down.		Ports.		Up.
Dep.	..	8-00 a.m.	..	Bombay .. Arr. .. 6-30 a.m.
Dep.	..	12-00 Noon.	..	Janjira .. Dep. .. 2-00 a.m.
Dep.	..	1-45 p.m.	..	Shriwardhan .. Dep. .. 12-00 Midnight.
Dep.	..	4-45 p.m.	..	Harnai .. Dep. .. 9-30 p.m.
Arr.	..	6-00 p.m.	..	Dabhol .. Dep. .. 7-30 p.m.

VENGURLA LINE.

(Daily except on Tuesdays.)

Down.		Ports		Up.
Dep.	..	10-00 a.m.	..	Bombay .. Arr. .. 7-30 a.m.
Dep.		7-30 p.m.	..	Jaygad .. Dep. .. 10-30 p.m.
Dep.	..	9-30 p.m.	..	Ratnagiri .. Dep. .. 8-00 p.m.
Dep.	..	12-00 Midnight.	..	Musakazi .. Dep. .. 5-15 p.m.
Dep.	..	1-00 a.m.	..	Vijaydurg .. Dep. .. 4-15 p.m.
Dep.	..	2-30 a.m.	..	Dewgad .. Dep. .. 2-30 p.m.
Dep.	..	5-00 a.m.	..	Malwan .. Dep. .. 12-00 noon
Arr.	..	7-30 a.m.	..	Vengurla .. Dep. .. 10-00 a.m.

1959-60

DABHOL LINE.

(Daily except on Tuesdays.)

Miles.		Down.		Ports.		Up.
..	Dep.	..	8-00 a.m.	Bombay	..	Arr. .. 6-30 a.m.
..	Dep.	..	11-45 a.m.	Janjira	..	Dep. .. 2-00 a.m.
55	Dep.	..	1-45 p.m.	Shriwardhan	..	Dep. .. 11-30 p.m.
77	Dep.	..	4-00 p.m.	Harnai	..	Dep. .. 9-00 p.m.
94	Arr.	..	5-45 p.m.	Dabhol	..	Dep. .. 7-00 p.m.

VENGURLA LINE.

(Daily except on Tuesdays.)

1 Mon./Thurs./ Sat. Dept.	2 Wed./Sun. Dept.	3 Friday Dept.	Ports.	3 Sunday Arr.	2 Fri./Tues. Arr.	1 Wed./Sat./ Mon. Arr.
10-00 a.m.	10-00 a.m.	10-00 a.m.	Bombay ..	8-00 a.m.	8-00 a.m.	8-00 a.m.
5-30 p.m.	....	....	Palshet ..	....	....	12-30 a.m.
....	6-30 p.m.	6-30 p.m.	Boria ..	11-30 p.m.	12-00 M/nt.	....
7-30 p.m.	7-30 p.m.	7-30 p.m.	Jaygad ..	10-30 p.m.	11-00 p.m.	11-00 p.m.
9-00 p.m.	....	....	Tivri ..	....	....	9-30 p.m.
10-45 p.m.	10-00 p.m.	10-00 p.m.	Rantagiri ..	8-00 p.m.	8-30 p.m.	8-00 p.m.
....	11-00 p.m.	11-00 p.m.	Ranpar ..	7-00 p.m.	7-30 p.m.	....
1-15 a.m.	1-15 a.m.	1-15 a.m.	Musakazi ..	5-15 p.m.	5-45 p.m.	5-15 p.m.
2-15 a.m.	2-15 a.m.	2-15 a.m.	Vijaydurg ..	4-15 p.m.	4-45 p.m.	4-15 p.m.
4-00 a.m.	4-00 a.m.	4-00 a.m.	Deogad ..	2-30 p.m.	3-00 p.m.	2-30 p.m.
....	5-45 a.m.	....	Achra ..	....	1-30 p.m.	....
6-30 a.m.	7-15 a.m.	6-30 a.m.	Malvan ..	12-00 Noon	12-00 Noon	12-00 Noon
8-00 a.m. Arr. 8-45 a.m.	8-00 a.m.	Vengurla ..	10-00 a.m.	10-00 a.m.	10-00 a.m.	10-00 a.m.

Palshet and Tivri on Monday/Thursday/Saturday. Boria and Ranpar on Wednesday/Friday/Sunday. Achra on Wednesday/Sunday.

APPENDIX VII.

DABHOL LINE.

(Mondays, Thursdays and Saturdays).

Miles		Down	Ports		Up
..	Dep.	.. 8-00 a.m. ..	Bombay	Arr. ..	6-30 a.m.
45	Dep.	.. 11-45 a.m. ..	Janjira	Dep. ..	2-00 a.m.
55	Dep.	.. 1-45 p.m. ..	Shriwardhan	Dep. ..	11-30 p.m.
77	Dep.	.. 4-00 p.m. ..	Harnai	Dep. ..	9-00 p.m.
94	Arr.	.. 5-45 p.m. ..	Dabhol	Dep. ..	7-00 p.m.

II (Sundays, Wednesdays and Fridays).

..	Dep.	.. 8-00 a.m.	Bombay	Arr. ..	6-00 a.m.
45	Dep.	.. 11-45 a.m.	Janjira	Dep. ..	1-30 a.m.
55	Dep.	.. 1-45 p.m.	Shriwardhan	Dep. ..	11-00 p.m.
94	Arr.	.. 5-15 p.m.	Dabhol	Dep. ..	7-00 p.m.

VIJAYDURG LINE.

(Wednesdays, Fridays and Sundays).

....	Dep.	.. 10-00 a.m. ..	Bombay	Arr. ..	4-45 a.m.
77	Dep.	.. 4-45 p.m. ..	Harnai	Dep. ..	10-15 p.m.
101	Dep.	.. 7-15 p.m. ..	Palshet	Dep. ..	7-45 p.m.
107	Dep.	.. 8-15 p.m. ..	Boria	Dep. ..	6-45 p.m.
113	Dep.	.. 9-15 p.m. ..	Jaigad	Dep. ..	4-45 p.m.
125	Dep.	.. 10-30 p.m. ..	Tivri	Dep. ..	4-15 p.m.
138	Dep.	.. 12-30 a.m. ..	Ratnagiri	Dep. ..	2-45 p.m.
145	Arr.	.. 1-00 a.m. ..	Ranpar	Dep. ..	1-15 p.m.
150	Dep.	.. 6-30 a.m. ..	Purnagad	Dep. ..	12-15 p.m.
163	Dep.	.. 8-00 a.m. ..	Musakazi	Dep. ..	10-45 a.m.
169	Arr.	.. 8-45 a.m. ..	Vijaydurg	Dep. ..	10-00 a.m.

VENGURLA LINE

(6 Days in a Week).

..	Dep.	..	10-00 a.m.	..	Bombay	Arr.	..	7-00 a.m.
111	Dep.	..	7-00 p.m.	..	Jaigad	Dep.	..	10-00 p.m.
136	Dep.	..	9-30 p.m.	..	Ratnagiri	Dep.	..	7-30 p.m.
158	Dep.	..	12-00 Mid/N.	..	Musakazi	Dep.	..	5-00 p.m.
164	Dep.		1-00 a.m.		Vijaydurg	Dep.	..	4-00 p.m.
178	Dep.	..	2-45 a.m.	..	Devgad	Dep.	..	2-15 p.m.
191	Dep.	..	4-30 a.m.	..	Achra	Dep.	..	12-30 p.m.
201	Dep.	..	6-00 a.m.	..	Malwan	Dep.	..	11-00 a.m.
223	Arr.	..	7-30 a.m.	..	Vengurla	Dep.	..	9-30 a.m.



APPENDIX VIII (a)(1)



APPENDIX

*Statement showing the gradewise strength of staff of the
and the salary etc., paid*

Strength of Staff as at

	Clerical.					Total.
	235— 380 A	100— 220 B	75— 180 C	50—180 D	30—82 P	
<i>Officers :—</i>						
Grade	(i) 320—500					
	(ii) 500—650					
	(iii) 650—800					
	(v) 1,000—1,250					
<i>Head Office—</i>						
Accounts (includes Cash and Int. Audit).	3	2	5	..	..	10
Passage (with T. P.)	..	2	3	1	1	7
H. O. Booking	..	..	..	1	..	1
Est. and General	..	5	4	1	1	11
Ticket Audit	..	3	4	6	2	15
<i>Local Offices—</i>						
Girgaum	..	..	..	..	..	2
Parel	..	..	1	..	1	2
Musafarkhana	..	..	..	..	..	..
<i>A. Dock—</i>						
Office	..	5	1	3	3	12
T. Cs.	..	1	..	1	44	46
<i>Outports—</i>	190 355	85— 182	60— 131	42— 125	30— 82	
Harbour Line	..	3	2	..	1	6
Konkan Line	..	13	8	1	4	26

Agents and Contractors at Outports.

Note.—(1) A sum of Rs. 23,000 per year is paid to the Scindia S. N. Co. Ltd., for the work*(2)* The Company is recovering a sum of Rs. 14,000 per year from the Scindia S. N.

VIII (a) (1)

Bombay Steam Nav. Co. (1953) P. Ltd., as on 30th June 1959
to them during 1958-59.

30th June 1959.

Non-Clerical.					Grand Total.	Salary.	D. A.	P. F.	Bonus for Contbn. (1957-58).	Total.
39— 95	30— 90	40— 86	60 117	Total. H						
					1	Rs.	Rs.	Rs.	Rs.	Rs.
					2					
					3					
					1	64,664	17,356	6,481	10,209	98,710
..	2	1	..	3	13	29,900	22,897	4,265	6,665	63,727
..	3	..	..	3	10	21,409	17,822	3,128	6,300	48,659
..	1	..	..	1	2	1,114	1,075	162	226	2,577
..	16	4	1	21	32	53,421	47,061	8,202	11,340	1,20,024
..	1	..	..	1	16	42,307	35,927	6,495	10,032	94,761
..	1	1	..	2	4	6,626	5,772		1,399	
..	1	..	..	1	3	5,990	4,522	1,989	1,210	29,894
..	..	1	..	1	1	955	1,211		220	
..	2	3	1	6	18	1,37,877	96,378	16,975	25,047	2,76,277
..	..	..	..	..	46					
..	..	..	..	..	6	15,340	11,555	2,067	3,028	31,990
..	..	..	..	..	26	67,521	53,399	9,461	14,840	1,45,221
					184					
						9,884	2,725			12,609

in connection with the Floating staff attended to by their Operations Department.

Co. Ltd., for the Ticket Audit Work of B. S. N. Line carried by their T. A. Department.

APPENDIX VIII (a) (2)

Statement showing the strength of Officers and crew on board each of the Ships of the B. S. N. Co. (1953) Private Ltd.

—		Officers.	Crew.
s. s. <i>Hiravati</i>	9 34
s. s. <i>Chandravati</i>	9 34
s. s. <i>Ratnagiri</i>	12 34
m. v. <i>St. Anthony</i>	12 27
s. s. <i>Champavati</i>	10 34
s. s. <i>Rohidas</i>	10 34



APPENDIX VIII (b)



सत्यमेव जयते

APPENDIX

Comparative Statement showing the Scales of Pay of Executive

Name of the Shipping Company.	Master	Chief Officer.		
		Chief Officer with Master's F. G. Certificate.	Chief Officer with Chief Officer's F. G. Certificate.	H. T. Master.
		Rs.	Rs.	Rs.
The Bombay Steam Navigation Co. (1953) Private Ltd., (in 15 years). Bombay.		725—1,250	550—675 (in 7 years).	.... 500
The Great Eastern Shipping Co. Ltd., Bombay.		1,075—1,935 (in 14 years)	820—945 (in 7 years).	760—800 (in 3 years).
The Malabar Steam ship Co. Ltd., Bombay.		1,025—1,725 (in 15 years).	790—925 (in 10 years).	690—730 (in 5 years). 550—630 (in 5 years).

सर्वामित्र सम्पन्न

VIII (b).

Officers and Engineers of the various Indian Shipping Companies.

Second Officer.				Third Officer.			Radio Officer.
2nd Officer with Chief Officer's F. G. Certificate.	2nd Officer with 2nd Officer's F. G. Certificate.	H. T. Master.	H. T. Mate.	Third Officer with 2nd Officer's F. G. Certificate.	Third Officer (uncer- tified).	H. T. Mate.	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
....	....	430—505 (in 6 years).	425	360—420 (in 6 years).	300	..	320—520 (in 15 years).
630—695 (in 5 years).	590—610 (in 3 years).	....	....	525—590 (in 5 years).	475—500 (in 3 years).	....	355—585 (in 15 years).
590—690 (in 11 years).	475—550 (in 4 years).	500—530 (in 4 years).	430—445 (in 4 years).	435—455 (in 3 years).	450—470 (in 3 years).	425—445 (in 3 years).	320—360 (in 5 years).

সমাপ্তি স্বর্গ

Comparative Statement showing the scales of pay of

Name of the Shipping Company.	Pay of Chief Engineer.	2nd Engineers.	
		Certificated.	Uncertificated.
	Rs.	Rs.	Rs.
The Bombay Steam Navigation Co. (1953) Private Ltd.	875-1,325 (in 12 years) (with 1st Class B. O. T. Certificate). 725-1,025 (in 10 years) (with 2nd Class B. O. T. Certificate).	740-875 (in 10 years). 7 years).	600-700 (in 5 years). 3 years).
The Great Eastern Shipping Co. Ltd., Bombay.	1,010-1,535 (in 14 years).	820-945 (in 7 years).	760-800 (in 3 years).
The Malabar Steamship Co. Ltd., Bombay.	910-1,390 (in 14 years).	740-900 (in 11 years).	690-720 (in 3 years).



Engineers of the various Indian Shipping Companies.

3rd Engineer.	4th Engineer.	5th Engineer.			
Certificated.	Uncertificated.	Certificated.	Uncertificated.	Certificated.	Uncertificated.
-	-	-	-	-	-
Rs. ~	Rs. ~	Rs. ~	Rs. ~	Rs. ~	Rs. ~
550-600 (in 3 years).	400	475-530 (in 5 years).	350	....	300
630-695 (in 5 years).	590-610 (in 3 years).	525-590 (in 5 years).	455-485 (in 3 years).	....	420-445 (in 3 years).
570-675 (in 9 years).	534-554 (in 3 years).	475-535 (in 5 years).	425-450 (in 3 years).	....	390-415 (in 3 years).



Schedule showing

I

Name of the Shipping Company 1	Wage of Serang 2	Tindal 3	Seacunny 4
	Rs.	Rs.	Rs.
The Bombay Steam Nav. Co. (1953) Private Ltd.	197	185	179
The Great Eastern Shipping Co. Ltd., Bombay.	180	....	145
The Malabar Steam Nav. Co. (1953) Pvt. Ltd.	197	185	179

II

Name of the Company 1	Serang 2	Tindal 3	Cassab 4
	Rs.	Rs.	Rs.
The Bombay Steam Nav. Co. (1953) Pvt. Ltd.	213	181	170
The Great Eastern Shipping Co. Ltd., Bombay.	180	....	160
The Malabar Steamship Co. Ltd., Bombay.	203	149	146

नवापेन नपन

Emoluments of Crew.

DECK

Cassab	Seamen	Topass	Bhandari	Officers Cook	Officers Boy
5	6	7	8	9	10
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
158	155	144	144	144	125
130	120	110	110	....	....
158	155	144	144	144	125

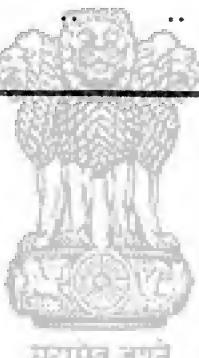
ENGINE

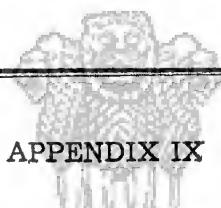
Greaser	Fireman	Trimmer	Donkeyman	Bhandari	Cook
5	6	7	8	9	10
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
167	167	157	170	144	157
....	....	....	135	110	150
146	137	112	....	120	150

नवायन नवायन

Comparative Statement showing the grades and scales of pay of the shore staff (Clerical and non-clerical) of the B. S. N. Co. (1953) Private Ltd. and the India Steamship Co. Ltd.

Grade.	B. S. N. Co. (1953) Ltd.	India Steamship Co. Ltd.
	Rs.	Rs.
I. Clerical		
' A '	(a) 235—15—280—20—300 ..	.. 210—345 (in 25 years).
	(b) 300—20—380.	
' B '	(a) 100—7—142—8—150 ..	.. 105—245 (in 25 years).
	(b) 150—10—220.	
' C '	(a) 75—5—100 ..	.. 70—170 (in 25 years).
	(b) 100—7—142—8—150.	
	(c) 150—10—180.	
II Peons.	(a) 30—2—42 ..	.. 30—65 (in 25 years).
	(b) 42—3—54.	
	(c) 54—4—70—5—90.	





APPENDIX IX



स्वामीन जयने

Statement showing percentage

Fares as on

1939-40 1941-42

Name of port.	Distance from Bombay.	Rs./As.	Rate per mile in pies.	Rs./As.	Rate per mile in pies.	Percentage of increase over		
						39-40	39-40	
1	2	3	4	5	6	7		
Janjira	42	1/8	6·9	1/8	6·9	Nil
Shrivardhan	56	1/14	6·4	3/0	10·3	60
Harnai	78	2/8	6·2	4/0	9·8	60
Dalhol	95	2/12	5·6	4/0	8·1	45·4
Palshet	101		closed			
Boria	107		closed			
Jaygad	111	3/0	5·2	3/8	6·1	16·7
Tivri	125		closed			
Ratnagiri	136	3/0	4·2	3/8	4·9	16·7
Ranpar	145		closed			
Purnagad	154		closed			
Musakazi	158	2/4	2·9	4/0	4·8	77·8
Vijayadurg	164	2/6	2·8	4/4	4·9	78·9
Devgad	178	2/9	2·8	4/8	4·9	75·6
Achra	191		closed			
Malwan	201	4/4	4·0	5/0	4·8	17·6
Vengurla	223	3/2	2·7	5/4	4·5	68

increases in fares since 1939.

Fares as on

1944-45

1949-50 (50 per cent. increase over 1944-45)

Rs./As.	Rate per mile in pies.	Percentage of increase over		Rs./As.	Rate per mile in pies.	Percentage of increase over				
		39-40 41-42				39-40 41-42 44-45				
		8	9	10	11	12	13	14	15	16
2/8	11·4	66·6	66·6	3/12	17·1	150	..	150	50	
3/0	10·3	60	Nil	4/8	15·4	140	..	50	50	
4/0	9·8	60	Nil	6/0	14·8	140	..	50	50	
4/0	8·1	45·4	Nil	6/0	12·1	118·1	..	50	50	
4/8	8·6	..	..	6/12	12·8	..	..	..	50	
4/12	8·5	..	..	7/2	12·8	..	..	..	50	
5/0	8·7	66·6	42·8	7/8	13	150	..	114·3	50	
5/0	7·7	..	..	7/8	11·5	..	..	..	50	
5/0	7·1	66·6	42·8	7/8	10·6	150	..	114·3	50	
				8/4	10·9	..	..	..
				8/4	10·3	..	..	..
6/0	7·3	166·6	50	9/0	10·9	300	125	50		
6/8	7·8	173·7	52·9	9/12	11·4	310·5	129·4	50		
7/8	8·1	192·7	66·6	11/4	12·1	339·02	150	50		
				12/0	12	..	..	..
8/0	7·5	88·3	60	12/0	11·4	182·4	140	50		
9/0	7·8	188	71·4	13/8	11·6	332	157·1	50		

Statement showing percentage

1949-50 (8 1/3 per cent. decrease).

Name of port.	Distance from Bombay.	Rs./As.	Rate per mile in pies.	Percentage of increase over				
				39-40	41-42	44-45		
1	2	17	18	19	20	21		
Janjira	42	3/8	16	133·3	133·3	40
Shrivardhan	56	4/2	14·1	120	37·5	37·5
Harnai	78	5/8	13·5	120	37·5	37·5
Dabhol	95	5/8	11·1	100	37·5	37·5
Palshet	101	6/4	12	..	..	38·9
Boria	107	6/8	11·6	..	..	37
Jaygad	111	6/14	11·9	129·2	96·4	37·5
Tivri	125	6/14	10·6	..	..	37·5
Ratnagiri	136	6/14	9·7	129·2	96·4	37·5
Ranpar	145	7/10	10·1	..	..	..
Purnagad	154	Closed		..	..	..
Musakazi	158	8/4	10	266·6	106·3	37·5
Vijayadurg	164	9/0	10·5	278·9	111·8	38·5
Devgad	178	10/6	11·2	364·9	130·6	38·3
Achra	191	11/0	11	..	..	..
Malwa	201	11/0	10·5	159	120	37·5
Vengurla	223	12/6	10·7	296	135·7	37·5

increases in fares since 1939.

Rs.	nP.	Rate per mile in Naye Paise.	Fares as on				
			1956-57				
			Percentage of increase over				
			39-40	41-42	44-45	49-50	49-50
22	23	24	25	26	27	28	
3·88	9·2	158·7	158·7	55·2	3·5	10·9	
4·57	8·2	144·4	52·3	52·3	1·5	10·9	
6·07	7·8	142·8	51·8	51·8	1·2	10·4	
6·07	6·4	120·7	51·8	51·8	1·2	10·4	
6·88	6·8	....	....	52·9	1·9	10·9	
7·19	6·7	....	....	51·4	1	10·6	
7·57	6·8	152·3	116·3	51·4	0·9	10·2	
7·57	6	....	....	51·4	0·9	10·2	
7·57	5·6	152·3	116·3	51·4	0·9	10·2	
8·38	5·8	....	....	....	1·6	10	
8·38	5·8	....	....	....	1·6	....
9·07	5·7	303·1	126·8	51·1	0·8	9·9	
9·88	6	316·8	132·5	52	1·3	9·8	
11·44	6·4	346·9	154·2	52·5	1·7	10·3	
12·13	6·3	....	....	....	1	10·3	
12·13	6	185·4	142·6	51·5	1·1	10·3	
13·63	6·1	336·9	159·6	51·4	1	10·2	

APPENDIX X.

PROPOSED SCHEDULES OF INCREASED RATES OF FARES FOR THE IMMEDIATE FUTURE (in Rs.).

SCHEDULE I.

Scale of Fares on the Vengurla Line.

From Ports	Bombay		Jaygad.		Ratnagiri.		Moosakazi.		Vijaydurg.		Deogad.		Achra.		Malwan.		
	Cabin	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower
Jaygad	..	24.57	12.28	8.16													
Ratnagiri	..	24.57	12.28	8.16	2.43	1.62											
Moosakazi	..	29.43	14.71	9.79	3.18	2.10	2.43	1.62									
Vijaydurg	..	31.99	15.99	10.66	4.26	2.83	3.64	2.43	1.21	0.81							
Deogad	..	36.99	18.57	12.36	6.21	4.11	6.21	4.11	3.64	2.43	2.43	1.62					
Achra	..	39.28	19.65	13.09	7.42	4.92	7.42	4.92	4.86	3.24	3.64	2.43	2.43	1.62			
Malwan	..	39.28	19.65	13.09	7.42	4.92	7.42	4.92	4.86	3.24	3.64	2.43	2.43	1.62	1.83	1.21	
Vengurla	..	44.14	22.08	14.71	9.85	6.54	9.85	6.54	7.42	4.92	7.42	4.92	4.86	3.24	2.43	1.62	1.62

Note.—Intermediate Cabin Class fares will be Rs. 9.78 in addition to the usual Upper Class fare. Excess baggage will be charged at Rs. 2.25 per Bengal Maund.

SCHEDULE II.

Scale of Fares on the Dabhol Line.

From Ports	Bombay		Janjira		Shriwardhan		Harnai		
	Cabin	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower
1	2	3	4	5	6	7	8	9	10
Janjira	..	12.56	6.27	4.18					
Shriwardhan	..	14.85	7.42	4.92	2.43	1.62			
Harnai	..	19.71	9.85	6.54	4.26	2.83	2.43	1.62	
Dabhol	..	19.71	9.85	6.54	5.61	3.72	3.24	2.16	2.43

Note.—Intermediate cabin Class fares will be Rs. 9.78 in addition to the usual Upper Class fare. Excess baggage will be charged at Rs. 2.25 per Bengal Maund.

SCHEDULE III.

Scale of Fares on the Purnagad Line.

From Ports.	Bombay		Janjira		Harnai		Palshet		Boria		Jaygad		Tivri		Ratnagiri		Ranpar		
	Cabin	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper	Lower
Janjira ..	12.55	6.27	4.18																
Harnai ..	19.71	9.85	6.54	4.26	2.83														
Palshet ..	22.27	11.13	7.42	6.69	4.45	2.43	1.62												
Boria ..	23.22	11.61	7.77	9.66	6.42	4.86	3.24	1.21	0.81										
Jaygad ..	24.57	12.28	8.16	9.66	6.42	4.86	3.24	1.83	1.21	1.21	0.81								
Tivri ..	24.57	12.28	8.16	9.66	6.42	5.61	3.72	2.43	1.62	1.83	1.21	1.83	1.21						
Ratnagiri ..	24.57	12.28	8.16	9.66	6.42	5.61	3.72	3.18	2.10	2.43	1.62	2.43	1.62	1.83	1.21				
Ranpar ..	27.13	13.56	9.04	11.34	7.56	8.04	5.34	4.36	3.24	3.18	2.10	3.18	2.10	3.18	2.10	1.21	0.81		
Purnagad ..	27.13	13.56	9.04	11.34	7.56	8.04	5.34	4.86	3.24	3.18	2.10	3.18	2.10	3.18	2.10	1.83	1.21	1.21	0.81

Note.—Intermediate Cabin Class fare will be Rs. 9.78 in addition to the usual Upper Class fare. Excess baggage will be charged at Rs. 2.25 per Bengal Maund.

APPENDIX XI.

RULES PROPOSED UNDER SECTION 6 (1) (a) OF INDIAN PORTS ACT, 1908.

1. These rules may be called the Rewas and Dharamtar Piers Rules, 1960.
2. In these rules, "pier" means the pier at Rewas or Dharamtar, as the case may be.

3. (1) With a view to ensuring the availability of space to every vessel warping towards the pier, the convenience of passengers alighting thereat, for avoiding any unfair practices adopted by persons in charge of vessels in securing passengers and for preventing racing amongst such vessels operating at the piers the*.....may allot specific time or times to any such vessels or class of vessels having regard to the following factors :—

- (a) the capacity of such vessel or class of vessels to carry passengers ;
- (b) whether or not such vessel or class of vessels plies throughout the year including the monsoon season or only a part thereof ;
- (c) the regularity in plying the vessel or vessels ; and
- (d) such other factors as the Chief Customs Authority may specify in this behalf.

(2) Any person aggrieved by the allotment of time under sub-rule (1) may appeal to the Chief Customs Authority, Bombay.

(3) Where any time is allotted to any vessel or class of vessels under sub-rule (1), it shall be notified at the relevant pier. No vessel other than that for which the time is allotted shall warp towards the pier during such time. Any vessel already in occupation of the pier shall vacate the pier in good time as to make room for the vessel to warp in the pier, for which the time has been allotted.

4. (1) Subject to the provisions of rule 3 all vessels shall warp to the pier strictly in the order of their arrival at the pier both on the up and down trips. Any vessel which arrives first at the pier shall take its place alongside the pier within five minutes of its arrival. If it fails to do so within the aforesaid time, the next vessel shall take priority over it.

(2) Fifteen minutes shall be allowed for dis-embarking and embarking of passengers in the case of a vessel having capacity of 100 or more passengers and ten minutes in the case of any other vessel.

5. (1) Except where there is no other vessel waiting to come into the pier, on expiry of the time-limit specified in sub-rule (2) of rule 4 the officer on duty shall close the pier gates and call on the vessel to cast off from the pier and manoeuvre away.

(2) Where a vessel is allowed to remain at the pier beyond the said time-limit under sub-rule (1) such vessel shall, when instructed to do so by the officer on duty, move out.

*Here enter the name of the officer.

6. Notwithstanding anything contained in sub-rule (2) of rule 4, a vessel shall not wait or occupy the pier unnecessarily but shall move out as soon as possible.

7. No person shall canvass for passengers in or within a radius of..... yards from the pier.

8. The Assistant Range Officer or other officer of the Central Excise and Customs Department on duty shall keep a suitable record of the timings of the arrival and departure of each vessel.

9. Each person operating a vessel at the piers may as far as possible, have his booking office near the pier.



APPENDIX XII.

Statement showing the existing telegraph and trunk telephone facilities at the various Konkan ports.

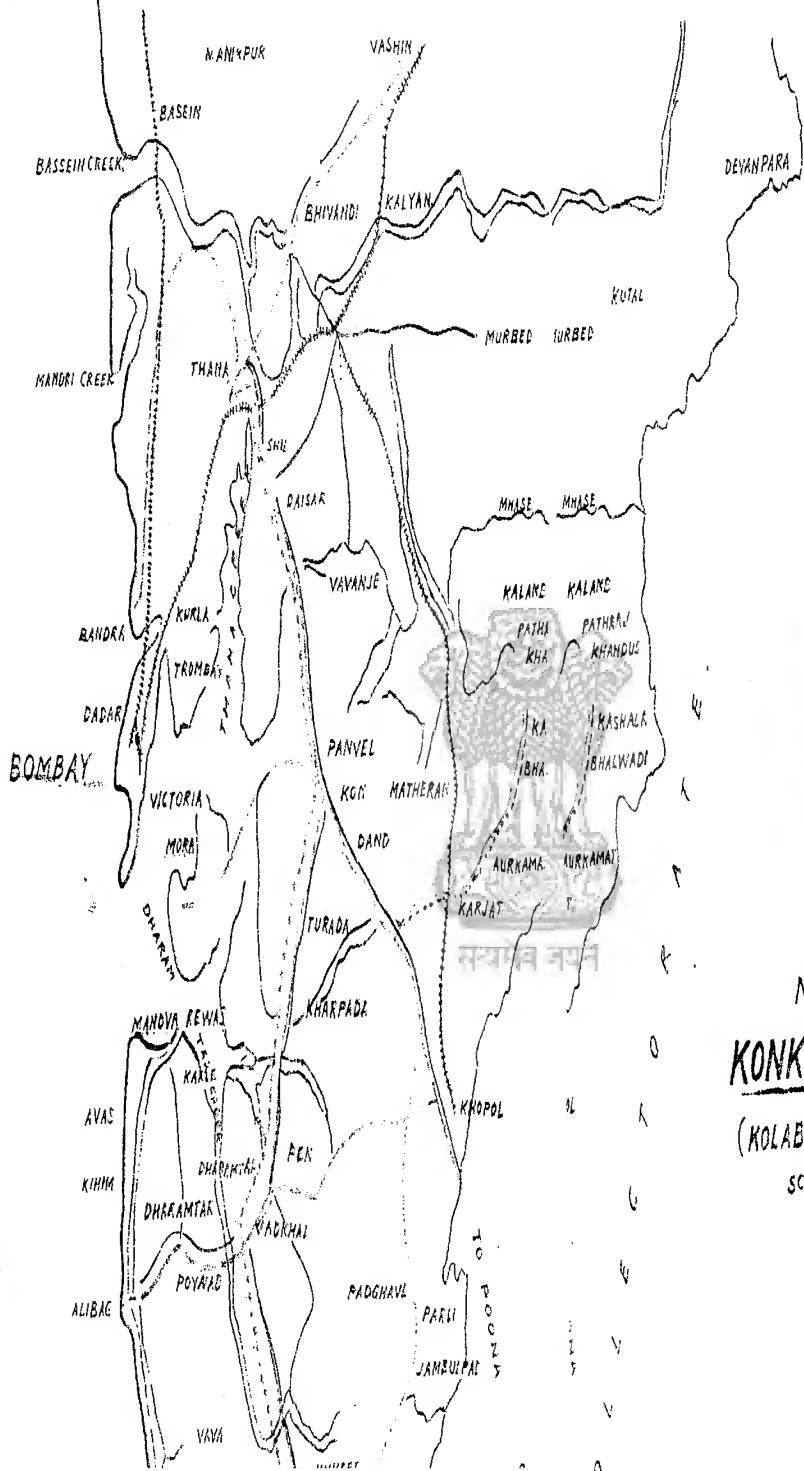
Serial No.	Name of Outport.	Nearest Telegraph Office at:	Whether Trunk Telephone facilities also available.	Distance of Telegraph and/or Telephone Office from B. S. N. (1953) Office.
1	Rewas	.. Alibag	.. Available at S. T. Depot, Alibag.	15 miles.
2	Dharamtar	.. Pen	.. Available at Post Office	5 miles.
3	Janjira	.. Murud	.. Not available ..	3 miles.
4	Shriwardhan	.. Shriwardhan	.. Available at Post Office...	1 mile.
5	Harnai	.. Harnai	.. Not available ..	$\frac{1}{2}$ mile.
6	Dabhol	.. Dabhol	.. Not available ..	$\frac{1}{4}$ mile.
7	Gowalkote	.. Chiplun	.. Available at Post Office.	3 miles.
8	Palshet	.. Guhagar	.. Not available ..	3 miles.
9	Boria	.. Adur	.. Not available ..	4 miles.
10	Jaygad	.. Jaygad	.. Not available ..	$\frac{1}{2}$ mile.
11	Tivri	.. Malgund	.. Not available ..	4 miles.
12	Ratnagiri	.. Ratnagiri	.. Available at Post Office.	$1\frac{1}{2}$ miles.
13	Ranpar	.. Ratnagiri	.. Not available ..	6 miles.
14	Musakazi	.. Jaitapur	.. Not available ..	6 miles.
15	Jaitapur	.. Jaitapur	.. Not available ..	$\frac{1}{4}$ mile.
16	Vijaydurg	.. Vijaydurg	.. Not available ..	$\frac{1}{4}$ mile.
17	Deogad	.. Deogad	.. Not available ..	2 miles.
18	Achra	.. Achra	.. Not available ..	$1\frac{1}{2}$ miles.
19	Malwan	.. Malwan	.. Available at Post Office.	1 mile.
20	Vengurla	.. Vengurla	.. Available at Post Office.	1 mile.



सत्यमेव जयते



सत्यमेव जयते



MAP OF
KONKAN REGION
(KOLABA AND RATNAGIRI DISTS.)
SCALE: 8 MILES TO AN INCH

ROADS.

